



ANNUAL STATEMENT
For the Year Ended December 31, 2019
OF THE CONDITION AND AFFAIRS OF THE
Providence Washington Insurance Company

NAIC Group Code 04725, 04725 NAIC Company Code 24295 Employer's ID Number 05-0204450
Organized under the Laws of Rhode Island, State of Domicile or Port of Entry Rhode Island
Country of Domicile United States
Incorporated/Organized 01/05/1799 Commenced Business 02/01/1799
Statutory Home Office 475 Kilvert Street, Suite 330, Warwick, RI, US 02886
Main Administrative Office 475 Kilvert Street, Suite 330, Warwick, RI, US 02886 401-453-7000
Mail Address 475 Kilvert Street, Suite 330, Warwick, RI, US 02886
Primary Location of Books and Records 475 Kilvert Street, Suite 330, Warwick, RI, US 02886 401-453-7101
Internet Web Site Address www.enstargroup.com
Statutory Statement Contact Teresa Marie Reali 401-453-7101
teresa.reali@enstargroup.com (E-Mail Address) 401-453-7354 (Fax Number)

OFFICERS

Table with 4 columns: Name, Title, Name, Title. Officers include Paul Michael James Brockman (President / CEO / Chairman), Thomas John Balkan (Corporate Secretary), Teresa Marie Reali (Treasurer and Vice President), and Jennifer Mi (Chief Financial Officer).

OTHER OFFICERS

Table with 4 columns: Name, Title, Name, Title. Officers include Richard Seelinger (Senior Vice President), Robert Francis Redpath (Senior Vice President), Nadja Stavenhagen (Assistant Secretary), and Sharon Fletcher (Assistant Vice President).

DIRECTORS OR TRUSTEES

Table with 4 columns: Name, Name, Name, Name. Directors/Trustees include Richard Seelinger, Teresa Marie Reali, Jennifer Mi, and Robert Francis Redpath.

State of Rhode Island
County of Kent

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

PAUL MICHAEL JAMES BROCKMAN
President / CEO / Chairman

THOMAS JOHN BALKAN
Corporate Secretary

TERESA MARIE REALI
Treasurer and Vice President

Subscribed and sworn to before me
this 14th day of February, 2020

- a. Is this an original filing? Yes [X] No []
b. If no:
1. State the amendment number
2. Date filed
3. Number of pages attached

Deborah Marquis, Notary
February 17, 2023

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	36,802,460		36,802,460	95,744,846
2. Stocks (Schedule D):				
2.1 Preferred stocks	0		0	0
2.2 Common stocks	0		0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$941,746 , Schedule E-Part 1), cash equivalents (\$416,334 , Schedule E-Part 2) and short-term investments (\$0 , Schedule DA).....	1,358,080		1,358,080	3,493,535
6. Contract loans (including \$ premium notes).....			0	0
7. Derivatives (Schedule DB).....	0		0	0
8. Other invested assets (Schedule BA)	700,000		700,000	11,164,249
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets (Schedule DL).....			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	38,860,540	0	38,860,540	110,402,630
13. Title plants less \$ charged off (for Title insurers only).....			0	0
14. Investment income due and accrued	280,368		280,368	747,865
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection			0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums).....			0	0
15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$)			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	2,367,182		2,367,182	2,398,734
16.2 Funds held by or deposited with reinsured companies	23,568		23,568	186,792
16.3 Other amounts receivable under reinsurance contracts	2,096,037		2,096,037	2,604,313
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon			0	0
18.2 Net deferred tax asset.....	6,201,212	4,725,779	1,475,433	1,505,332
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software.....			0	0
21. Furniture and equipment, including health care delivery assets (\$)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates	5,692,132		5,692,132	0
24. Health care (\$) and other amounts receivable.....			0	0
25. Aggregate write-ins for other-than-invested assets	(1)	0	(1)	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	55,521,038	4,725,779	50,795,259	117,845,666
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
28. Total (Lines 26 and 27)	55,521,038	4,725,779	50,795,259	117,845,666
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. RECOVERABLE ON RETROACTIVE REINSURANCE-CEDED.....	(1)		(1)	0
2502.			0	0
2503.			0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	(1)	0	(1)	0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)	0	0
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	4,483,935	3,946,475
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)	0	0
4. Commissions payable, contingent commissions and other similar charges	0	(3,946,475)
5. Other expenses (excluding taxes, licenses and fees)	664,704	9,546,453
6. Taxes, licenses and fees (excluding federal and foreign income taxes)		0
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))		0
7.2 Net deferred tax liability		0
8. Borrowed money \$ and interest thereon \$		0
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act)	0	0
10. Advance premium		0
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders		0
12. Ceded reinsurance premiums payable (net of ceding commissions)		0
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20)	23,671,302	70,114,971
14. Amounts withheld or retained by company for account of others		0
15. Remittances and items not allocated		0
16. Provision for reinsurance (including \$ certified) (Schedule F, Part 3, Column 78)	864,986	1,340,045
17. Net adjustments in assets and liabilities due to foreign exchange rates		0
18. Drafts outstanding		0
19. Payable to parent, subsidiaries and affiliates	4,246,990	18,174,789
20. Derivatives	0	0
21. Payable for securities	299,980	0
22. Payable for securities lending		0
23. Liability for amounts held under uninsured plans		0
24. Capital notes \$ and interest thereon \$		0
25. Aggregate write-ins for liabilities	(864,986)	(1,750,508)
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	33,366,911	97,425,750
27. Protected cell liabilities		0
28. Total liabilities (Lines 26 and 27)	33,366,911	97,425,750
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	5,021,200	5,021,200
31. Preferred capital stock		0
32. Aggregate write-ins for other-than-special surplus funds	0	0
33. Surplus notes		0
34. Gross paid in and contributed surplus	80,329,828	80,329,828
35. Unassigned funds (surplus)	(67,922,680)	(64,931,112)
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)		0
36.2 shares preferred (value included in Line 31 \$)		0
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)	17,428,348	20,419,916
38. Totals (Page 2, Line 28, Col. 3)	50,795,259	117,845,666
DETAILS OF WRITE-INS		
2501. OTHER LIABILITIES	402,506	0
2502. RETROACTIVE REINSURANCE RESERVES CEDED	(402,506)	(410,463)
2503. BAD DEBT PROVISION REINSURANCE	(864,986)	(1,340,045)
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	(864,986)	(1,750,508)
2901.		0
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4) .....	.0	(37,896,881)
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7) .....	.0	(32,639,864)
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1) .....	.0	(3,467,647)
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	2,745,696	4,257,685
5. Aggregate write-ins for underwriting deductions .....	.0	.0
6. Total underwriting deductions (Lines 2 through 5)	2,745,696	(31,849,826)
7. Net income of protected cells .....	.0	.0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	(2,745,696)	(6,047,055)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	1,701,778	4,098,381
10. Net realized capital gains (losses) less capital gains tax of \$ 92,574 (Exhibit of Capital Gains (Losses))	2,674,793	(1,173,471)
11. Net investment gain (loss) (Lines 9 + 10)	4,376,571	2,924,910
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$ ..... ) .....		.0
13. Finance and service charges not included in premiums .....		.0
14. Aggregate write-ins for miscellaneous income	(509,972)	3,345,387
15. Total other income (Lines 12 through 14)	(509,972)	3,345,387
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	1,120,904	223,242
17. Dividends to policyholders		0
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	1,120,904	223,242
19. Federal and foreign income taxes incurred	(92,574)	0
20. Net income (Line 18 minus Line 19) (to Line 22)	1,213,478	223,242
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	20,419,916	47,938,475
22. Net income (from Line 20)	1,213,478	223,242
23. Net transfers (to) from Protected Cell accounts .....		.0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$	(4,248,570)	638,494
25. Change in net unrealized foreign exchange capital gain (loss) .....		.0
26. Change in net deferred income tax	(1,196,239)	(143,963)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	1,166,340	437,526
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	475,059	150,528
29. Change in surplus notes .....		.0
30. Surplus (contributed to) withdrawn from protected cells .....		.0
31. Cumulative effect of changes in accounting principles .....		.0
32. Capital changes:		
32.1 Paid in .....		.0
32.2 Transferred from surplus (Stock Dividend) .....		.0
32.3 Transferred to surplus .....		.0
33. Surplus adjustments:		
33.1 Paid in		(30,762,225)
33.2 Transferred to capital (Stock Dividend) .....		.0
33.3 Transferred from capital .....		.0
34. Net remittances from or (to) Home Office .....		.0
35. Dividends to stockholders .....		.0
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1) .....	.0	.0
37. Aggregate write-ins for gains and losses in surplus	(401,636)	1,937,839
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	(2,991,568)	(27,518,559)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	17,428,348	20,419,916
DETAILS OF WRITE-INS		
0501. ....		.0
0502. ....		.0
0503. ....		.0
0598. Summary of remaining write-ins for Line 5 from overflow page .....	.0	.0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0
1401. OTHER INCOME (EXPENSE)	4,226	684,336
1402. RETROACTIVE REINSURANCE RESERVE - CEDED	8,054,719	7,555,771
1403. RETROACTIVE REINSURANCE RESERVE-ASSUMED	(8,095,379)	(8,002,531)
1498. Summary of remaining write-ins for Line 14 from overflow page	(473,538)	3,107,811
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	(509,972)	3,345,387
3701. CHANGE IN ADDITIONAL PENSION LIABILITY	(401,636)	1,937,839
3702. ....		.0
3703. ....		.0
3798. Summary of remaining write-ins for Line 37 from overflow page .....	.0	.0
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)	(401,636)	1,937,839

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance.....	0	(38,288,406)
2. Net investment income	2,159,824	4,302,174
3. Miscellaneous income	161,528	811,927
4. Total (Lines 1 through 3)	2,321,352	(33,174,305)
5. Benefit and loss related payments	(569,012)	850,273
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	7,607,702	11,688,357
8. Dividends paid to policyholders	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	0	1
10. Total (Lines 5 through 9)	7,038,691	12,538,630
11. Net cash from operations (Line 4 minus Line 10)	(4,717,339)	(45,712,936)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	64,771,955	65,230,604
12.2 Stocks	0	1,300
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	15,311,574	2,795,381
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0
12.7 Miscellaneous proceeds	299,980	1
12.8 Total investment proceeds (Lines 12.1 to 12.7)	80,383,509	68,027,286
13. Cost of investments acquired (long-term only):		
13.1 Bonds	7,370,677	36,373,961
13.2 Stocks	0	0
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	4,851,236	0
13.6 Miscellaneous applications	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	12,221,913	36,373,961
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	68,161,596	31,653,325
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	(30,762,225)
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied).....	(65,579,714)	41,939,409
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(65,579,714)	11,177,184
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(2,135,457)	(2,882,427)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	3,493,534	6,375,961
19.2 End of year (Line 18 plus Line 19.1)	1,358,078	3,493,534

Part 1

NONE

Part 1A

NONE

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Cols. 1 + 2 + 3 - 4 - 5
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire						0
2. Allied lines						0
3. Farmowners multiple peril						0
4. Homeowners multiple peril						0
5. Commercial multiple peril						0
6. Mortgage guaranty						0
8. Ocean marine						0
9. Inland marine						0
10. Financial guaranty						0
11.1 Medical professional liability-occurrence						0
11.2 Medical professional liability-claims-made						0
12. Earthquake						0
13. Group accident and health						0
14. Credit accident and health (group and individual)						0
15. Other accident and health						0
16. Workers' compensation		151		151		0
17.1 Other liability-occurrence						0
17.2 Other liability-claims-made						0
17.3 Excess workers' compensation						0
18.1 Products liability-occurrence						0
18.2 Products liability-claims-made						0
19.1,19.2 Private passenger auto liability						0
19.3,19.4 Commercial auto liability						0
21. Auto physical damage						0
22. Aircraft (all perils)						0
23. Fidelity						0
24. Surety						0
26. Burglary and theft						0
27. Boiler and machinery						0
28. Credit						0
29. International						0
30. Warranty						0
31. Reinsurance-nonproportional assumed property	XXX					0
32. Reinsurance-nonproportional assumed liability	XXX					0
33. Reinsurance-nonproportional assumed financial lines	XXX					0
34. Aggregate write-ins for other lines of business	0	0	0	0	0	0
35. TOTALS	0	151	0	151	0	0
DETAILS OF WRITE-INS						
3401.						0
3402.						0
3403.						0
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0	0	0

(a) Does the company's direct premiums written include premiums recorded on an installment basis? Yes [] No [X]

If yes: 1. The amount of such installment premiums \$

2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1. Fire				.0	0	0	.0	
2. Allied lines				.0	0	0	.0	
3. Farmowners multiple peril				.0	0	0	.0	
4. Homeowners multiple peril	(844)		(844)	.0	0	0	.0	
5. Commercial multiple peril	574,440		574,440	.0	0	0	.0	
6. Mortgage guaranty				.0	0	0	.0	
8. Ocean marine				.0	0	0	.0	
9. Inland marine				.0	0	0	.0	
10. Financial guaranty				.0	0	0	.0	
11.1 Medical professional liability-occurrence				.0	0	0	.0	
11.2 Medical professional liability-claims-made				.0	0	0	.0	
12. Earthquake				.0	0	0	.0	
13. Group accident and health				.0	0	0	.0	
14. Credit accident and health (group and individual)				.0	0	0	.0	
15. Other accident and health				.0	0	0	.0	
16. Workers' compensation	1,086,457	180,963	1,267,420	.0	0	0	.0	
17.1 Other liability-occurrence	825,666	(18,791)	806,875	.0	0	0	.0	
17.2 Other liability-claims-made				.0	0	0	.0	
17.3 Excess workers' compensation				.0	0	0	.0	
18.1 Products liability-occurrence	300,318		300,318	.0	0	0	.0	
18.2 Products liability-claims-made				.0	0	0	.0	
19.1,19.2 Private passenger auto liability	422		422	.0	0	0	.0	
19.3,19.4 Commercial auto liability	100		100	.0	0	0	.0	
21. Auto physical damage	(2,990)		(2,990)	.0	0	0	.0	
22. Aircraft (all perils)				.0	0	0	.0	
23. Fidelity	(43)		(43)	.0	0	0	.0	
24. Surety				.0	0	0	.0	
26. Burglary and theft				.0	0	0	.0	
27. Boiler and machinery				.0	0	0	.0	
28. Credit				.0	0	0	.0	
29. International				.0	0	0	.0	
30. Warranty				.0	0	0	.0	
31. Reinsurance-nonproportional assumed property	XXX			.0	0	0	.0	
32. Reinsurance-nonproportional assumed liability	XXX	840,837	840,837	.0	0	0	.0	
33. Reinsurance-nonproportional assumed financial lines	XXX			.0	0	0	.0	
34. Aggregate write-ins for other lines of business	0	0	0	.0	0	0	.0	
35. TOTALS	2,783,526	1,003,008	3,786,534	0	0	0	0.0	
DETAILS OF WRITE-INS								
3401.				.0	0	0	.0	
3402.				.0	0	0	.0	
3403.								
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	.0	0	0	.0	
3499. Totals (Lines 3401 through 3403 + 3498) (Line 34 above)	0	0	0	.0	0	0	.0	

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company

**UNDERWRITING AND INVESTMENT EXHIBIT
PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES**

Line of Business	Reported Losses				Incurred But Not Reported			8 Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	9 Net Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable	4 Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire				.0				.0	
2. Allied lines				.0				.0	
3. Farmowners multiple peril				.0				.0	
4. Homeowners multiple peril				.0				.0	
5. Commercial multiple peril	3,413,207		3,413,207	.0	570,200		570,200	.0	
6. Mortgage guaranty				.0				.0	
8. Ocean marine				.0				.0	
9. Inland marine				.0				.0	
10. Financial guaranty				.0				.0	
11.1 Medical professional liability-occurrence				.0				.0	
11.2 Medical professional liability-claims-made				.0				.0	
12. Earthquake				.0				.0	
13. Group accident and health				.0				(a)	.0
14. Credit accident and health (group and individual)				.0				(a)	.0
15. Other accident and health				.0				(a)	.0
16. Workers' compensation	12,483,403	1,754,836	14,238,239	.0	2,415,956	1,138,549	3,554,505	.0	
17.1 Other liability-occurrence	8,990,866		8,990,866	.0	14,342,091		14,342,091	.0	
17.2 Other liability-claims-made				.0				.0	
17.3 Excess workers' compensation				.0				.0	
18.1 Products liability-occurrence	1,964,980		1,964,980	.0	(1,554,579)		(1,554,579)	.0	
18.2 Products liability-claims-made				.0				.0	
19.1,19.2 Private passenger auto liability				.0				.0	
19.3,19.4 Commercial auto liability	500,022		500,022	.0				.0	
21. Auto physical damage				.0	32		32	.0	
22. Aircraft (all perils)				.0				.0	
23. Fidelity				.0	26		26	.0	
24. Surety				.0				.0	
26. Burglary and theft				.0				.0	
27. Boiler and machinery				.0				.0	
28. Credit				.0				.0	
29. International				.0				.0	
30. Warranty				.0				.0	
31. Reinsurance-nonproportional assumed property	XXX			.0	XXX			.0	
32. Reinsurance-nonproportional assumed liability	XXX	5,489,523	5,489,523	.0	XXX	11,286,360	11,286,360	.0	
33. Reinsurance-nonproportional assumed financial lines	XXX			.0	XXX			.0	
34. Aggregate write-ins for other lines of business	.0	.0	.0	.0	.0	.0	.0	.0	.0
35. TOTALS	27,352,478	7,244,359	34,596,837	0	15,773,826	12,424,909	28,198,735	0	0
DETAILS OF WRITE-INS									
3401.				.0				.0	
3402.									
3403.									
3498. Sum. of remaining write-ins for Line 34 from overflow page	.0	.0	.0	.0	.0	.0	.0	.0	.0
3499. Totals (Lines 3401 through 3403 + 3498) (Line 34 above)	0	0	0	0	0	0	0	0	0

(a) Including \$ for present value of life indemnity claims.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct	4,001,781			4,001,781
1.2 Reinsurance assumed	263,668			263,668
1.3 Reinsurance ceded	4,265,449			4,265,449
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)	0	0	0	0
2. Commission and brokerage:				
2.1 Direct, excluding contingent				0
2.2 Reinsurance assumed, excluding contingent		3,266		3,266
2.3 Reinsurance ceded, excluding contingent		3,266		3,266
2.4 Contingent-direct				0
2.5 Contingent-reinsurance assumed				0
2.6 Contingent-reinsurance ceded				0
2.7 Policy and membership fees				0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)	0	0	0	0
3. Allowances to manager and agents				0
4. Advertising				0
5. Boards, bureaus and associations		4,988		4,988
6. Surveys and underwriting reports				0
7. Audit of assureds' records				0
8. Salary and related items:				
8.1 Salaries				0
8.2 Payroll taxes				0
9. Employee relations and welfare		809,254		809,254
10. Insurance				0
11. Directors' fees				0
12. Travel and travel items				0
13. Rent and rent items				0
14. Equipment		136,281		136,281
15. Cost or depreciation of EDP equipment and software				0
16. Printing and stationery				0
17. Postage, telephone and telegraph, exchange and express				0
18. Legal and auditing		316,144		316,144
19. Totals (Lines 3 to 18)	0	1,266,668	0	1,266,668
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$				0
20.2 Insurance department licenses and fees		145,430		145,430
20.3 Gross guaranty association assessments		2,343		2,343
20.4 All other (excluding federal and foreign income and real estate)		274		274
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)	0	148,047	0	148,047
21. Real estate expenses				0
22. Real estate taxes				0
23. Reimbursements by uninsured plans				0
24. Aggregate write-ins for miscellaneous expenses	0	1,330,981	76,564	1,407,545
25. Total expenses incurred	0	2,745,696	76,564	2,822,260
26. Less unpaid expenses-current year	0	652,954	11,750	664,704
27. Add unpaid expenses-prior year	0	5,514,961	85,017	5,599,978
28. Amounts receivable relating to uninsured plans, prior year	0	0	0	0
29. Amounts receivable relating to uninsured plans, current year				0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	0	7,607,703	149,831	7,757,534
DETAILS OF WRITE-INS				
2401. Contract Services.....		629,103	58,440	687,543
2402. Miscellaneous Expenses.....		701,878	18,124	720,002
2403.				0
2498. Summary of remaining write-ins for Line 24 from overflow page	0	0	0	0
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)	0	1,330,981	76,564	1,407,545

(a) Includes management fees of \$ 4,557,499 to affiliates and \$to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 208,289	200,300
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 1,837,347	1,371,576
1.3 Bonds of affiliates	(a) 0	
2.1 Preferred stocks (unaffiliated)	(b) 0	
2.11 Preferred stocks of affiliates	(b) 0	
2.2 Common stocks (unaffiliated)	33,127	33,127
2.21 Common stocks of affiliates	0	
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 98,359	104,695
7. Derivative instruments	(f)	
8. Other invested assets	68,644	68,644
9. Aggregate write-ins for investment income	0	0
10. Total gross investment income	2,245,766	1,778,342
11. Investment expenses		(g) 76,564
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		0
16. Total deductions (Lines 11 through 15)		76,564
17. Net investment income (Line 10 minus Line 16)		1,701,778
DETAILS OF WRITE-INS		
0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)		0

- (a) Includes \$ 15,901 accrual of discount less \$ 79,717 amortization of premium and less \$ 679 paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ 0 paid for accrued dividends on purchases.
- (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ paid for accrued interest on purchases.
- (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
- (e) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	7,628		7,628		
1.1 Bonds exempt from U.S. tax			0		
1.2 Other bonds (unaffiliated)	(1,578,469)		(1,578,469)	93,549	
1.3 Bonds of affiliates	0	0	0	0	0
2.1 Preferred stocks (unaffiliated)	0	0	0	0	0
2.11 Preferred stocks of affiliates	0	0	0	0	0
2.2 Common stocks (unaffiliated)	0	0	0	0	0
2.21 Common stocks of affiliates	0	0	0	0	0
3. Mortgage loans	0	0	0	0	0
4. Real estate	0	0	0	0	0
5. Contract loans	0	0	0	0	0
6. Cash, cash equivalents and short-term investments	0	0	0	0	0
7. Derivative instruments	0	0	0	0	0
8. Other invested assets	4,338,208	0	4,338,208	(4,342,119)	0
9. Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10. Total capital gains (losses)	2,767,367	0	2,767,367	(4,248,570)	0
DETAILS OF WRITE-INS					
0901.			0		
0902.			0		
0903.			0		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0	0	0	0

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	.0	.0	.0
2. Stocks (Schedule D):			
2.1 Preferred stocks .....	.0	.0	.0
2.2 Common stocks .....	.0	.0	.0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....	.0	.0	.0
3.2 Other than first liens .....	.0	.0	.0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....	.0	.0	.0
4.2 Properties held for the production of income.....	.0	.0	.0
4.3 Properties held for sale .....	.0	.0	.0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	.0	.0	.0
6. Contract loans .....	.0	.0	.0
7. Derivatives (Schedule DB).....	.0	.0	.0
8. Other invested assets (Schedule BA) .....	.0	.0	.0
9. Receivables for securities .....	.0	.0	.0
10. Securities lending reinvested collateral assets (Schedule DL).....	.0	.0	.0
11. Aggregate write-ins for invested assets .....	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	.0	.0	.0
13. Title plants (for Title insurers only).....	.0	.0	.0
14. Investment income due and accrued .....	.0	.0	.0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	.0	.0	.0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	.0	.0	.0
15.3 Accrued retrospective premiums and contracts subject to redetermination .....	.0	.0	.0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers .....	.0	.0	.0
16.2 Funds held by or deposited with reinsured companies .....	.0	.0	.0
16.3 Other amounts receivable under reinsurance contracts .....	.0	.0	.0
17. Amounts receivable relating to uninsured plans .....	.0	.0	.0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	.0	.0	.0
18.2 Net deferred tax asset.....	4,725,779	5,892,119	1,166,340
19. Guaranty funds receivable or on deposit .....	.0	.0	.0
20. Electronic data processing equipment and software.....	.0	.0	.0
21. Furniture and equipment, including health care delivery assets .....	.0	.0	.0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....	.0	.0	.0
23. Receivables from parent, subsidiaries and affiliates .....	.0	.0	.0
24. Health care and other amounts receivable.....	.0	.0	.0
25. Aggregate write-ins for other-than-invested assets .....	.0	.0	.0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	4,725,779	5,892,119	1,166,340
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. Total (Lines 26 and 27)	4,725,779	5,892,119	1,166,340
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page .....	.0	.0	.0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0
2501. ....		.0	.0
2502. ....		.0	.0
2503. ....		.0	.0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	.0	.0	.0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company
NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The financial statements of Providence Washington Insurance Company, ("The Company" or "PWIC") are presented on the basis of accounting practices prescribed or permitted by the Rhode Island Department of Business Regulation ("RIDBR").

The RIDBR recognizes only statutory accounting practices prescribed or permitted by the state of Rhode Island for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under Rhode Island Insurance Law. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of Rhode Island. The Rhode Island Department of Business Regulation ("RIDBR") has the right to permit specific practices that deviate from prescribed practices.

Reconciliations of the Company net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the state of Rhode Island for the twelve months ending December 31, 2019 and 2018 are shown below:

	State of Domicile		2019		2018
NET INCOME					
(1) Providence Washington Insurance Company state basis (Page 4, Line 20, Columns 1 & 2)	RI	\$	1,213,478	\$	223,242
(2) State Prescribed Practices that increase/(decrease) NAIC SAP-e.g., Depreciation of fixed assets	RI	\$		\$	—
(3) State Prescribed Practices that increase/(decrease) NAIC SAP-e.g., Depreciation, home office property	RI	\$	—	\$	—
(4) NAIC SAP (1-2-3=4)	RI	\$	1,213,478	\$	223,242
SURPLUS					
(5) Providence Washington Insurance Company state basis (Page 3, Line 37, Columns 1 & 2)	RI	\$	17,428,348	\$	20,419,916
(6) State Prescribed Practices that increase/(decrease) NAIC SAP-e.g., Good will, net e.g., Fixed Assets, net	RI	\$	—	\$	—
(7) State Prescribed Practices that increase/(decrease) NAIC SAP-e.g., Home Office Property	RI	\$	—	\$	—
(8) NAIC SAP (5-6-7=8)	RI	\$	17,428,348	\$	20,419,916

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with Statutory Accounting Principles and prescribed or permitted by RI DBR requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. The Company's principal estimates include unpaid loss and loss adjustment reserves, unpaid reinsurance recoverable and impairments to the fair value of investments. The Company utilizes historical information, actuarial analyses, financial modeling and other analytical techniques to prepare these estimates. Actual results could differ from those estimates.

C. Accounting Policy

Premiums are earned over the terms of the related reinsurance contracts or insurance policies. Premium adjustments and contingent commissions on retrospectively rated contracts are recognized in the periods in which the related losses are incurred. Unearned premium liabilities are established to cover the unexpired portion of premiums written. Such liabilities are computed by pro rata methods based on statistical data and reports received from ceding companies. Commissions and other acquisition costs related to premiums written are expensed at the time premiums are written.

Receivables ninety days or more past due are classified as nonadmitted assets, which are charged directly to surplus.

The liability for unpaid losses and loss adjustment expenses is based on direct reports and individual case estimates received from ceding companies and is net of amounts recoverable from retrocessionaires. In addition, a liability is included for unpaid loss and loss adjustment expenses incurred but not reported ("IBNR"). The methods for establishing such estimates and resulting liabilities are reviewed quarterly and any adjustments resulting therefrom are included in income currently. While management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The liabilities also include a provision for environmental and latent injury claims.

Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as commissions, premium taxes, and other items, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

Guaranty fund and other assessments are accrued at the time events occur and when the amount of the expense can be reasonably estimated.

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company
NOTES TO FINANCIAL STATEMENTS

Net investment income earned consists primarily of interest and dividends less investment related expense. Interest is recognized on an accrual basis and dividends are recognized on an ex-dividend basis. Net realized capital gains (losses) are recognized on a specific identification basis for bonds and a first-in, first-out basis for common stocks. Unrealized capital gains (losses) are reflected in unassigned surplus.

In addition, the Company uses the following accounting policies:

(1) Short-term investments include money market funds and highly liquid debt instruments purchased with a remaining maturity of twelve months or less, excluding those investments classified as cash or cash equivalents. Short-term investments are stated at cost, which approximates fair value.

(2) Bonds with NAIC designations 1 or 2 are stated at amortized value using the interest method. Non-investment grade non-loaned back bonds with NAIC designations of 3 through 6 are stated at the lower of amortized value or fair value. The discount is accreted and premium is amortized on bonds using the scientific method.

(3) Perpetual preferred stocks are carried at fair value for high quality investments. Perpetual preferred stocks of medium or low investment quality as determined by the Securities Valuation Office are carried at the lower of cost or market.

(4) Common stocks are carried at market value, except that investments in stocks of subsidiaries, controlled and affiliated companies are carried in accordance with SSAP No 97, *Investment in Subsidiaries, controlled Entities and Affiliates*.

(5) Loan-back and structured securities are stated at either amortized cost or the lower of amortized cost or fair market value. The constant yield scientific method including anticipated prepayment assumptions is used to value all securities. Changes in current prepayment assumptions are accounted for using the prospective method.

(6) The Company has no investments in subsidiaries, controlled, and affiliated companies.

(7) The Company has no investments in joint ventures, partnerships or limited liability companies.

(8) The Company has no derivative instruments.

(9) The Company does not anticipate investment income when evaluating the need for premium deficiency reserves.

(10) Loss and loss adjustment expense reserves are estimates that provide for the ultimate expected cost of settling unpaid losses and claims reported at each balance sheet date. Losses and claims incurred but not reported, as well as expenses required to settle losses and claims, are established on the basis of various criteria, including historical cost experience and anticipated costs of servicing reinsured and other risks. Such liabilities are necessarily based on assumptions and estimates and while management believes the amounts are adequate, the ultimate liabilities may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined. The Company believes that overall reserving practices have been consistently applied, and that its aggregate net reserves have resulted in reasonable approximations of the ultimate net costs of claims incurred. These estimates are continually reviewed and adjusted as necessary; such adjustments are reflected in current operations. The Company's liability for unpaid loss and loss adjustment expense is presented net of amounts recoverable from reinsurers.

(11) The Company is a member of an affiliated group of companies which file a consolidated federal income tax return. Under the terms of an intercompany tax allocation agreement, the Company is allocated federal income taxes by applying the current regular federal tax rate to statutory results of operations modified by book versus tax adjustments. Alternative minimum taxes are allocated ratably to companies with taxable income.

(12) Realized capital gains and losses on the sale of investments are determined on a specific identification method and are included in the determination of net income. Unrealized capital gains and losses resulting from changes in the valuation of investments at fair value are credited or charged directly to surplus.

(13) The Company regularly evaluates investments based on current economic conditions, credit risk experience and other circumstances of the underlying securities. A decline in a security's net market value that is not a temporary fluctuation is recognized as a realized loss, and the cost basis of that security is reduced.

(14) Premiums earned, loss and loss adjustment expenses incurred, unearned premiums, and the liability for losses and loss adjustment expenses are reflected net of reinsurance assumed from and ceded to other companies.

(15) The assets and liabilities of operations with foreign functional currencies are translated net into U.S. dollars at current exchange rates and the resulting adjustment recorded is reflected as a liability in the statutory financial statements. The resulting net translation adjustments for each period are included in surplus.

D. Going Concern

Management is not aware of any conditions or events which would raise substantial doubts concerning the Company's ability to continue as a going concern as of the date of the filing of this statement.

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company
NOTES TO FINANCIAL STATEMENTS

Note 2 - Accounting Changes and Correction of Errors

Nothing to report

Note 3 - Business Combinations and Goodwill

- A. Statutory Purchase Method
Not applicable
- B. Statutory Mergers
Not applicable
- C. Impairment Loss
Not applicable

Note 4 - Discontinued Operations

Not applicable

Note 5 - Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans
Not applicable
- B. Debt Restructuring
Not applicable
- C. Reverse Mortgages
Not applicable
- D. Loan-Backed Securities

- (1) Our asset manager uses a proprietary model for loss assumptions and widely accepted models for prepayment assumptions in valuing mortgage-backed and asset-backed securities with inputs from major third party data providers. It combines the effects of interest rates, volatility, and prepayment speeds based on Monte Carlo simulation with credit loss analysis and resulting effective analytics (spreads, duration, convexity) and cash-flows are reported to clients on a monthly basis. Model assumptions are specific to asset class and collateral types and are regularly evaluated and adjusted where appropriate.
- (2) There were no other-than-temporary-impairments for loan backed securities recorded during the year.
- (3) There were no other-than-temporary-impairments for loan backed securities held at the end of the year.
- (4) All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

a.	The aggregate amount of unrealized losses:			
		1	Less than 12 Month	\$ 3,022
		2	12 Months or Longer	\$ 157,666
b.	The aggregate related fair value of securities with unrealized losses:			
		1	Less than 12 Month	\$ 247,190
		2	12 Months or Longer	\$ 247,964

- (5) There are a number of factors that are considered in determining if there is not an other-than-temporary-impairment on an investment, including but not limited to, debt burden, credit ratings sector, liquidity, financial flexibility, company management, expected earnings and cash flow stream, and economic prospects associated with the investment.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company
NOTES TO FINANCIAL STATEMENTS

For repurchase agreements, Company policies require a minimum of 102% of the fair value of securities purchased under repurchase agreements to be maintained as collateral. There were no open repurchase agreements as of December 31, 2019.

- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing
Not applicable.
- G. Reserve Repurchase Agreements Transactions Accounted for as Secured Borrowing
Not applicable.
- H. Repurchase Agreements Transactions Accounted for as a Sale
Not Applicable.
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale
Not Applicable.
- J. Real Estate
Not applicable.
- K. Low Income Housing Tax Credits (LIHTC)
Not applicable.
- L. Restricted Assets

(1) Restricted Assets (including Pledged)

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company
NOTES TO FINANCIAL STATEMENTS**

Restricted Asset Category	Gross Restricted							Percentage		Admitted Restricted to Total Admitted Assets
	Current Year							Total Current Year Admitted Restricted	Gross Restricted to Total Assets	
	1	2	3	4	5	6	7			
Total General Account (G/A)	G/A Supporting S/A Restricted Assets (a)	Total Separate Account (S/A) Restricted	S/A Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)				
a. Subject to contractual obligation for which liability is not shown	\$ 2,434,883	\$ —	\$ —	\$ —	\$ 2,434,883	\$ 2,974,423	\$ (539,540)	\$ 2,434,883	4.4%	4.8%
b. Collateral held under security lending arrangements	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	—%	—%
c. Subject to repurchase agreements	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	—%	—%
d. Subject to reverse repurchase agreements	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	—%	—%
e. Subject to dollar repurchase agreements	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	—%	—%
f. Subject to dollar reverse repurchase agreements	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	—%	—%
g. Placed under option contracts	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	—%	—%
h. Letter stock or securities restricted as to sale - excluding FHLB capital	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	—%	—%
i. FHLB capital stock	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	—%	—%
j. On deposit with states	\$ 5,511,474	\$ —	\$ —	\$ —	\$ 5,511,474	\$ 5,972,461	\$ (460,987)	\$ 5,511,474	9.9%	10.9%
k. On deposit with other regulatory bodies	\$ 34,837	\$ —	\$ —	\$ —	\$ 34,837	\$ 639,484	\$ (604,647)	\$ 34,837	0.1%	0.1%
l. Pledged as collateral to FHLB (including assets backing funding)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	—%	—%
m. Pledged as collateral not captured in other categories	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	—%	—%
n. Other restricted assets	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	—%	—%
o. Total restricted assets	\$ 7,981,194	\$ —	\$ —	\$ —	\$ 7,981,194	\$ 9,586,368	\$ (1,605,174)	\$ 7,981,194	14.4%	15.8%

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories

None

(3) Detail of Other Restricted Assets

Description of Assets	Gross Restricted							Percentage	
	Current Year							Total Current Year Admitted Restricted	Gross Restricted to Total Assets
	1	2	3	4	6	7			
Total General Account (G/A)	G/A Supporting S/A Restricted Assets (a)	Total Separate Account (S/A) Restricted Assets	S/A Assets Supporting G/A Activity (b)	Total From Prior Year	Increase/ (Decrease) (Sum 1:4 - 6)				

M. Working Capital Finance Investments

Not Applicable.

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company
NOTES TO FINANCIAL STATEMENTS

N. Offsetting and Netting of Assets and Liabilities

Not Applicable.

O. 5* Securities

Not Applicable.

P. Short Sales

Not Applicable.

Q. Prepayment Penalty and Acceleration Fees

	General Account	Protected Cell
(1) Number Of CUSIPs	—	—
(2) Aggregate Amount of Investment Income	\$ —	\$ —

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

A. Detail for Those Greater than 10% of Admitted Assets

The Company does not have any investments in joint ventures, partnerships, or limited liability companies greater than 10% of Admitted Assets

B. Writedowns for Impairments of Joint Ventures, Partnerships, LLCs

Not applicable

Note 7 - Investment Income

A. Accrued Investment Income

The Company nonadmits investment income due and accrued if amounts are over 90 days past due.

B. Amounts Nonadmitted

None

Note 8 - Derivative Instruments

Not applicable

Note 9 - Income Taxes

A. The components of the net deferred tax asset at December 31, 2019 and December 31, 2018 and the changes in those components are as follows:

(1) DTA/DTL Components

	December 31, 2019		
	Ordinary	Capital	Total
(a) Gross deferred tax assets	5,808,266	502,152	6,310,418
(b) Statutory valuation allowance	—	—	—
(c) Adjusted gross deferred tax assets	5,808,266	502,152	6,310,418
(d) Deferred tax assets nonadmitted	4,223,628	502,152	4,725,780
(e) Subtotal net admitted deferred tax asset	1,584,638	—	1,584,638
(f) Deferred tax liabilities	109,206	—	109,206
(g) Net admitted deferred tax asset	1,475,432	—	1,475,432
	December 31, 2018		
	Ordinary	Capital	Total
(a) Gross deferred tax assets	7,624,428	246,429	7,870,857
(b) Statutory valuation allowance	—	—	—
(c) Adjusted gross deferred tax assets	7,624,428	246,429	7,870,857
(d) Deferred tax assets nonadmitted	5,645,690	246,429	5,892,119
(e) Subtotal net admitted deferred tax asset	1,978,738	—	1,978,738
(f) Deferred tax liabilities	473,407	—	473,407
(g) Net admitted deferred tax asset	1,505,331	—	1,505,331

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company
NOTES TO FINANCIAL STATEMENTS

	Change		
	Ordinary	Capital	Total
(a) Gross deferred tax assets	(1,816,162)	255,723	(1,560,439)
(b) Statutory valuation allowance	—	—	—
(c) Adjusted gross deferred tax assets	(1,816,162)	255,723	(1,560,439)
(d) Deferred tax assets nonadmitted	(1,422,062)	255,723	(1,166,339)
(e) Subtotal net admitted deferred tax asset	(394,100)	—	(394,100)
(f) Deferred tax liabilities	(364,201)	—	(364,201)
(g) Net admitted deferred tax asset	(29,899) \$	—	(29,899)

(2) Admission Calculation Components under SSAP No. 101

		December 31, 2019		
		Ordinary	Capital	Total
(a)	Federal income taxes paid in prior years recoverable through loss carrybacks	\$ —	—	
(b)	Adjusted gross deferred tax assets expected to be realized after application of the threshold limitation:	1,475,433	—	1,475,433
1.	Adjusted gross deferred tax assets expected to be realized following the balance sheet date	—	—	—
2.	Adjusted gross deferred tax assets allowed per limitation threshold	—	—	—
(c)	Adjusted gross deferred tax assets offset by gross deferred tax liabilities	109,206	—	109,206
(d)	Deferred tax assets admitted as the result of application of SSAP No. 101	\$ 1,584,639	—	1,584,639
	Deferred tax liabilities	\$ 109,206	—	109,206
	Net admitted deferred tax asset/liability	\$ 1,475,433	—	1,475,433
		December 31, 2018		
		Ordinary	Capital	Total
(a)	Federal income taxes paid in prior years recoverable through loss carrybacks	\$ —	—	
(b)	Adjusted gross deferred tax assets expected to be realized after application of the threshold limitation:	1,505,332	— \$	1,505,332
1.	Adjusted gross deferred tax assets expected to be realized following the balance sheet date	—	— \$	—
2.	Adjusted gross deferred tax assets allowed per limitation threshold	—	— \$	—
(c)	Adjusted gross deferred tax assets offset by gross deferred tax liabilities	473,407	— \$	473,407
(d)	Deferred tax assets admitted as the result of application of SSAP No. 101	\$ 1,978,739	— \$	1,978,739
	Deferred tax liabilities	\$ 473,407	— \$	473,407
	Net admitted deferred tax asset/liability	\$ 1,505,332	— \$	1,505,332
		Change		
		Ordinary	Capital	Total
(a)	Federal income taxes paid in prior years recoverable through loss carrybacks	—	—	—
(b)	Adjusted gross deferred tax assets expected to be realized after application of the threshold limitation:	(29,899)	—	(29,899)
1.	Adjusted gross deferred tax assets expected to be realized following the balance sheet date	—	—	—
2.	Adjusted gross deferred tax assets allowed per limitation threshold	—	—	—
(c)	Adjusted gross deferred tax assets offset by gross deferred tax liabilities	(364,201)	—	(364,201)
(d)	Deferred tax assets admitted as the result of application of SSAP No. 101	(394,100)	—	(394,100)
	Deferred tax liabilities	(364,201)	—	(364,201)
	Net admitted deferred tax asset/liability	(29,899)	—	(29,899)

(3) Threshold

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company
NOTES TO FINANCIAL STATEMENTS

	2019	2018
(a) Ratio percentage used to determine recovery period and threshold limitation amount	1,411%	937%
(b) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 15,952,896	\$ 18,914,584

(4) The Company has not considered tax-planning strategies in the measurement of deferred tax assets and liabilities.

B. Deferred Tax Liabilities Not Recognized for the following amounts:

Not applicable.

C. Current tax and change in deferred tax:

(1) Current income taxes incurred consist of the following major components:

	<u>2019</u>	<u>2018</u>
(a.)Federal	\$ (92,574)	\$ —
(b) Foreign	—	—
(c) Subtotal	<u>(92,574)</u>	<u>—</u>
(d) Federal income tax on net capital gains/ (losses)	92,574	—
(e) Utilization of capital loss carryforwards	—	—
(f) Other	—	—
(g) Federal and Foreign income taxes incurred	<u>\$ —</u>	<u>\$ —</u>

The Company has no income tax contingencies to report for the periods ending in December 31, 2019 and December 31, 2018.

(2) Deferred Tax Asset

	<u>2019</u>	<u>2018</u>	<u>Change</u>
(a) Ordinary			
(1) STAT/Tax Reserves discount	\$ 284,702	\$ 319,763	\$ (35,061)
(2) Investments	—	—	—
(3) Minimum Pension Liability	—	1,837,644	(1,837,644)
(4) Guarantee Fund Accrual	—	—	—
(5) Accrued Expenses	76,160	—	76,160
(7) NOL Carryforward	5,135,128	5,154,743	(19,615)
(8) AMT Credit	—	—	—
(9) Other (including items <5% of total ordinary tax assets)	312,277	312,277	—
Gross ordinary deferred tax assets	<u>5,808,267</u>	<u>7,624,427</u>	<u>(1,816,160)</u>
(b) Statutory valuation allowance - ordinary	—	—	—
(c) Nonadmitted deferred tax assets - ordinary	<u>(4,223,628)</u>	<u>(5,645,690)</u>	<u>1,422,062</u>
(d) Admitted ordinary deferred tax assets	<u>1,584,639</u>	<u>1,978,737</u>	<u>(394,098)</u>
(e) Capital			
(1) Capital Loss Carryforwards	—	246,429	(246,429)
(2) Investments - Bonds	502,152	—	502,152
Gross capital deferred tax assets	<u>—</u>	<u>—</u>	<u>—</u>
(f) Statutory valuation allowance -capital	—	—	—
(g) Nonadmitted deferred tax assets - capital	—	—	—
(h) Admitted capital deferred tax assets	<u>—</u>	<u>—</u>	<u>—</u>
(i) Admitted deferred tax assets	<u>1,584,639</u>	<u>1,978,737</u>	<u>(394,098)</u>

(3) Deferred Tax Liabilities

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company
NOTES TO FINANCIAL STATEMENTS

	<u>2019</u>	<u>2018</u>	<u>Change</u>
a. Ordinary			
(1) Investments	\$ —	\$ —	\$ —
(2) Real Estate	—	—	—
(3) Retroactive Reinsurance Recoverable	—	—	—
(4) Accrued market Discount	108,954	473,155	(364,201)
(5) Other	252	252	—
Ordinary deferred tax liabilities	<u>109,206</u>	<u>473,407</u>	<u>(364,201)</u>
(b) Capital			
(1) Investments	—	—	—
(2) Real Estate	—	—	—
(3) Other (including items <5% of total capital tax liabilities)	—	—	—
Capital deferred tax liabilities	—	—	—
(c) Total deferred tax liabilities	<u>\$ 109,206</u>	<u>\$ 473,407</u>	<u>\$ (364,201)</u>

(4) Net deferred tax assets	<u>\$ 1,475,433</u>	<u>\$ 1,505,330</u>	<u>\$ (29,897)</u>
-----------------------------	---------------------	---------------------	--------------------

The change in net deferred income taxes between December 31, 2019 and December 31, 2018 is composed of the following (this analysis is exclusive of nonadmitted DTAs as the Change in Nonadmitted Assets is reported separately from the Change in Net Deferred Income Taxes in the surplus section of the Annual Statement):

	<u>2019</u>	<u>2018</u>	<u>Change</u>
Total deferred tax assets	\$ 6,310,418	\$ 7,870,857	\$ (1,560,439)
Total deferred tax liabilities	109,206	473,407	(364,201)
Net deferred tax assets/liabilities	6,201,212	7,397,450	(1,196,238)
Statutory valuation allowance	—	—	—
Net deferred tax assets after adjustment	\$ 6,201,212	\$ 7,397,450	(1,196,238)
Tax effect of unrealized gains/(losses)	(892,200)	—	(892,200)
Statutory valuation allowance on unrealized	—	—	—
Change in net deferred income tax (expense)/benefit	<u>\$ 5,309,012</u>	<u>\$ 7,397,450</u>	<u>\$ (2,088,438)</u>

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate

The provision for federal income taxes incurred is different from that which would be obtained from applying the statutory federal income tax rate to pre-tax income. The significant items causing this difference are as follows

	<u>Amount</u>	<u>Tax Effect</u>	<u>Effective Tax Rate</u>
Income from operations before income taxes	(1,553,897)	\$ (326,318)	
Net realized capital gains before income taxes	2,767,367	581,147	
Statutory pretax income	1,213,470	254,829	21.00 %
Tax Basis Balance Sheet for PPA	228	48	47.68 %
US Tax Reform Tax Rate Reduction	8,742,238	1,835,870	2.79 %
Other, including prior year true-up	(10,994)	(2,309)	(6.99)%
Total statutory income tax	<u>9,944,942</u>	<u>2,088,438</u>	<u>64.49 %</u>
Federal income taxes incurred		(92,574)	— %
Tax on capital gains		92,574	— %
Prior period adjustments		—	— %
Change in net deferred income tax expense (benefit)		2,088,438	64.49 %
Total statutory income tax		<u>2,088,438</u>	<u>64.49 %</u>

E. Carryforwards, recoverable taxes, and IRC 6603 deposits

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company
NOTES TO FINANCIAL STATEMENTS

- (1) The Company has \$24.5 million of gross net operating loss carryforwards of which \$13.7 million begin to expire in 2022 \$0 million begin to expire in 2025, and \$1.5 million begin to expire in 2036.
- (2) The Company has no credit carryforwards as of December 31, 2019
- (3) The Company has federal income taxes incurred in prior years that are available for recoupment in the event of future net losses. The amounts are as follows:

Tax Year	Ordinary	Capital	Income Tax Amount
2017	\$ —	\$ —	\$ —
2018	\$ —	\$ —	\$ —
2019	—	—	\$ —
Total	\$ —	\$ —	\$ —

- (4) The Company has no deposits admitted under Section 6630 of the Internal Revenue Code

F. Federal Income Tax Allocation

The Company files a consolidated federal tax return with its parent. The consolidated group includes the following companies:

- Enstar USA, Inc.
- Enstar (US), Inc
- Morse Tec, LLC
- DCo LLC
- Cranmore (US), Inc.
- Providence Washington Insurance Company
- Clarendon National Insurance Company
- Paladin Managed Care Services, Inc.
- Maiden Reinsurance North America
- Yosemite Insurance Company

Note 10 - Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

- A. All outstanding shares of the Company are immediately owned or controlled by Enstar Holdings (US) LLC., an insurance holding company domiciled in the State of Delaware. Enstar (US) Inc., also a subsidiary of Enstar Group Ltd., became the run-off administrator on the date of acquisition. Refer to Page 96 for an illustration of the ownership structure.

- B. Details of Transactions greater than ½ % of Admitted Assets

During 2019, pursuant to the management agreement with Enstar (US) Inc., the company incurred management fees in the amount of \$4,557,499.

Effective December 31, 2018, PWIC entered into the Net Retained Liability Agreement “NRLA” agreement with its affiliate Yosemite Insurance Co “YIC”, whereby YIC reinsures 100% of any ultimate net liability arising from all business written by the Company prior to the date of agreement. The Company ceded \$38,458,183 in premium for consideration of net held reserves and bad debt of \$38,458,183 with no surplus change being recognized. Premium is booked as Funds Withheld and offset with net liabilities ceded.

The Company declared dividends to its parent in the amount of \$30,762,225 for the year ended 2018. For more detail, see Note 13.

- C. There were no changes to the terms of intercompany arrangements.

- D. As of December 31, 2019, the Company reported \$1,445,142 due from/(due to) affiliates as follows:

Enstar Group Limited	\$ (19,489)
Enstar Holdings (US) LLC	\$ 637,622
Enstar (US) Inc	\$ (11,172)
Fitzwilliam #30 – PWIC Reciprocal	\$ (4,130,551)
Fletcher Re	\$ 115,992
Paladin Managed Care Services	\$ (85,779)
Yosemite Insurance Company	\$ 4,938,519

All intercompany balances are settled within 90 days.

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company
NOTES TO FINANCIAL STATEMENTS

E. The Company has no guarantees or undertakings for the benefit of affiliates, which result in material contingent exposure of the Company's assets or liabilities.

F. Management, Service Contracts, Cost Sharing Arrangements

The Company is party to a written intercompany services agreement whereby the Company pays management fees and receives run-off administrative services from Enstar (US) Inc. The Company is also a member of the tax sharing agreement described in Note 9-Income Tax.

For the year ended December 31, 2019, the Company paid \$4,557,499 to Enstar (US) Inc. in respect of management fees.

The Company contracts with Paladin Managed Care Services, Inc. (Paladin), a California corporation, to provide medical bill review, utilization review, and case management services. The amount incurred under this agreement during 2018 was \$1,345,680.

G. All outstanding shares of the Company are owned or controlled by Enstar Holdings (US) LLC

H. The Company has no amount deducted for investment in an upstream company.

I. The Company has no Investments in Affiliates greater than 10% of Admitted Assets.

J. The Company has no investments in impaired SCA entities

K. The Company has no investment in a foreign insurance subsidiary

L. The Company has no Downstream Holding Company Valued Using Look-Through Method.

M. The Company has no SCA Investments

N. The Company has no Investment in Insurance SCAs

O. SCA and SSAP No. 48 Entity Loss Tracking

Not applicable

Note 11 - Debt

A. Capital Notes

None

B. All Other Debts

None

Note 12 - Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

A. Defined Benefit Plan and Postretirement Benefits

The Company, on behalf of employees of itself and employees of all subsidiaries, sponsors a defined benefit pension plan which covers substantially all employees hired before April 1, 2003, and provides pension and death benefits. The funding policy is to accrue and pay an amount sufficient to fund the minimum amount that can be deducted for federal income tax purposes which considers the annual current service cost on an annual basis, and an amount needed to amortize the plan's unfunded accrued liability over a seven year period. In addition, the Company sponsors and has accrued for a noncontributory executive retirement benefit for a former employee.

Effective April 1, 2004, the Company announced a freezing of its defined benefit pension plan.

A summary of total assets, total obligations and assumptions of the Pension Benefit Plan follows, at December 31, 2019 and 2018, respectively. The Company records the 100% Plan costs disclosed below.

The Company's Postretirement Benefit Plan was terminated on December 31, 2003. There are no assets or obligations to report.

Effective December 31, 2019, the Company transferred the Defined Benefit Plan and Postretirement Benefit were transferred to its parent, Enstar Holdings (US) LLC.

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company
NOTES TO FINANCIAL STATEMENTS

	Underfunded Pension Benefits	
	2019	2018
(1) Change in benefit obligation		
a. Benefit obligation	\$ 19,248,714	\$ 25,095,823
b. Service cost	—	—
c. Interest cost	750,475	825,601
d. Contribution by plan participants	—	—
e. Actuarial (gain) loss	(1,092,792)	(1,531,712)
f. Foreign currency exchange rate changes		69,978
g. Benefits paid		(1,422,223)
h. Plan amendments		
i. Business combinations, divestitures, curtailments, settlements, and special termination benefits	(18,906,397)	(3,788,753)
j. Benefit obligation at end of year	\$ —	\$ 19,248,714
 (2) Change in plan assets		
Fair value of plan assets at beginning of year	\$ 10,598,024	\$ 15,707,853
Actual return on plan assets	1,919,331	(662,772)
Foreign currency exchange rate changes		—
Employer contribution	675,914	995,143
Plan participants' contributions		—
Benefits and expenses paid	(951,395)	(1,422,223)
Business combination, divestitures, and settlements	(12,241,874)	(4,019,977)
Fair value of plan assets at end of year	\$ —	\$ 10,598,024
 (3) Funded Status		
a. Components	\$ —	\$ —
1. Prepaid benefit costs	\$ —	\$ —
2. Overfunded plan assets	\$ —	\$ —
3. Accrued benefit cost	\$ —	\$ —
4. Liability for pension benefits		
Underfunded		
b. Liabilities recognized		
1. Assets (non admitted)	\$ —	\$ —
2. Liability recognized	\$ —	\$ 8,650,690
c. Unrecognized liabilities	\$ —	\$ —
 (4) Components of net periodic benefit cost		
a. Service cost	\$ —	\$ —
b. Interest cost	750,475	825,601
c. Expected return on plan assets	(357,693)	(639,944)
d. Amortization of unrecognized transition obligation or transition asset	(14,674)	(14,674)
e. Amount of recognized (gains) and losses	297,890	390,702
f. Amount of prior service cost recognized	—	—
g. Amount of gain or loss recognized due to a settlement or curtailment	(675,998)	—
h. Total net periodic benefit cost	\$ —	\$ 561,685

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company
NOTES TO FINANCIAL STATEMENTS

(5) Amounts in unassigned funds (surplus) recognized as components of net periodic benefit cost

	Pension Benefits	
	2019	2018
a. Items not yet recognized as a component of net periodic cost - prior year	\$ 8,680,549	\$ 10,718,388
b. Net transaction (asset) or obligation recognized	(14,674)	(14,674)
c. Net prior service cost or (credit) arising during the period	—	—
d. Net prior service cost or (credit) recognized	—	—
e. Net actuarial (gain) or loss arising during the period	684,852	72,206
f. Net (gain) or loss amortized	9,380,075	2,124,719
g. Items not yet recognized as a component of net periodic cost - current year	\$ —	\$ 8,680,549

(6) Amounts in unassigned funds (surplus) expected to be recognized in the next fiscal year as components of net periodic benefit cost

	Pension Benefits	
	2019	2018
a. Items not yet recognized as a component of net periodic cost - prior year	\$ (14,674)	\$ (14,674)
b. Net transaction (asset) or obligation recognized	—	—
c. Net prior service cost or (credit) arising during the period	268,282	300,629

(7) Amounts in unassigned funds (surplus) that have not yet been recognized as components of net periodic benefit cost

	Pension Benefits	
	2019	2018
a. Net transition (asset) or obligation	\$ (14,674)	\$ (29,355)
b. Net prior service cost or credit	—	—
c. Net recognized (gains) or losses	268,282	8,826,633

(8) Weighted-average assumptions used to determine net periodic benefit cost as of Dec. 31

	2019	2018
a. Weighted-average discount rate	N/A	4.05%
b. Expected long-term rate of return on plan assets	N/A	5.75%
c. Rate of compensation increase	N/A	N/A

Weighted-average assumptions used to determine projected benefit obligations as of Dec 31:

	2019	2018
d. Weighted-average discount rate	N/A	3.90%
e. Rate of compensation increase	N/A	N/A

(9) The amount of the accumulated benefit obligation for defined benefit pension was \$0 for the current year and \$19,248,714 for the prior year.

(10) Not applicable

(11) Not applicable

(12) The following estimated future payments, which reflect expected future service, as appropriate, are expected to be paid in the years indicated:

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company
NOTES TO FINANCIAL STATEMENTS

Year(s)	Amount
a. 2020	\$0
b. 2021	\$0
c. 2022	\$0
d. 2023	\$0
e. 2024	\$0
f. Five year thereafter	\$0

(13) Best estimate of contributions expected to be paid during next fiscal year is \$0

B. Information about Plan Assets

The defined benefit pension plan asset allocation as of the measurement date, December 31, and the target asset allocation, presented as a percentage of total plan assets were as follows:

	2019	2018	Target Allocations
a. Debt Securities	0%	31%	15%-50%
b. Equity Securities	0%	63%	20%-70%
c. Cash & Cash Equivalents	0%	6%	5%-25%
d. Other	—	—	0%-5%
e. Total	0%	100%	

Pension Plan assets are invested in a broad based asset allocation fund, comprised primarily of high grade domestic fixed income securities and domestic equities. The Company utilizes a target allocation strategy, designed to create an asset mix that appreciates in value, as well as manages expenses and contributions.

Asset allocations and investment performance is formally reviewed quarterly by the plan's investment Oversight Committee. Forecasting of asset and liability growth is performed at least annually. More thorough analysis of assets and liabilities are also performed periodically.

C.

(1) Fair Value Measurement of Plan Assets at Reporting Date

Description for each class of plan assets	(Level 1)	(Level 2)	(Level 3)	Total
Debt Securities	—	—	—	—
Equity Securities	—	—	—	—
Cash and Cash Equivalents	—	—	—	—
Other	—	—	—	—
Total Plan Assets	—	—	—	—

D. The expected long-term rate of return is estimated based on many factors including the expected forecast for inflation, risk premiums for each asset class, expected asset allocation, current and future financial market conditions, and diversification and rebalancing strategies. Historical return patterns and correlations, consensus return forecasts and other relevant financial factors are analyzed to check for reasonability and appropriateness.

E. Defined Contribution Plan

Not applicable

F. Multiemployer Plans

Not applicable

G. Consolidated/Holding Company Plans

See Note 12A

H. Post-Employment Benefits and Compensated Absences

Not applicable

I. Impact of Medicare Modernization Act on Postretirement Benefits

Not Applicable

Note 13 - Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

(1) Outstanding Shares

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company
NOTES TO FINANCIAL STATEMENTS

The Company has 530,000 shares of \$10.00 par value common stock authorized; 502,120 shares issued and outstanding.

(2) Dividend Rate of Preferred Stock

The Company has no preferred stock.

(3) Dividend Restrictions

Dividends to common stockholders are paid as declared by the Board of Directors of the Company. The Company's dividends are subject to the regulation and prior approval of the State of Rhode Island. The current regulation allows an annual dividend without prior approval that is limited to the lesser of net income, exclusive of realized gains, for the latest twelve month period ending December 31, next preceding, or 10% of policyholders surplus as of the 31st day of December next preceding.

(4) Dates and Amounts of Dividends Paid

Stockholder dividends declared for the years ended December 31, 2019 and 2018 were \$0 and \$30,762,255 respectively. In 2018, a dividend of \$12,824,792 was paid on September 27, 2018 and a second dividend of \$17,937,433 was declared in December 2018 and settled on February 15, 2019.

(5) Amount of Ordinary Dividends that May be Paid

The maximum amount of dividends that can be paid to shareholders by an insurance company domiciled in the State of Illinois without prior approval of regulatory authorities is restricted if such dividend, together with other distributions during the 12 preceding months, would exceed the greater of (a) ten percent of the insurer's surplus as regards policyholders as of the preceding December 31 or (b) the statutorily adjusted net income for the preceding calendar year. If the limitation is exceeded, then such proposed dividend must be reported to the Illinois Department of Insurance at least 30 days prior to the proposed payment date and may be paid only if not disapproved. The Illinois insurance laws also permit payment of dividends only out of earned surplus, exclusive of most unrealized gains.

(6) Restrictions on Unassigned Funds

Not applicable

(7) Mutual Surplus Advances

Not applicable

(8) Company Stock Held for Special Purposes

Not applicable

(9) Changes in Special Surplus Funds

Not applicable

(10) Changes in Unassigned Funds

The portion of unassigned funds (surplus) represented by cumulative unrealized capital gains and (losses) is (\$4,248,570).

(11) Surplus Notes

Not applicable

(12) and (13) Impact and Dates of Quasi Reorganizations

Not applicable

Note 14 - Liabilities, Contingencies and Assessments

A. Contingent Commitments

As described in Note 10(E), the Company has made no guarantees on behalf of affiliates.

As described in Note 27, the Company has purchased annuities from life insurers that are directly payable to claimants but for which the Company may be contingently liable. The annuities have been used to reduced unpaid losses by approximately \$6,665,312 and \$7,199,877 as of December 31, 2019 and 2018, respectively.

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company
NOTES TO FINANCIAL STATEMENTS**

B. Assessments

The Company is subject to guaranty fund and other assessments by the states in which it writes business. Guaranty fund assessments should be accrued at the time of insolvencies. Other assessments should be accrued either at the time of assessments or in the case of premium based assessments, at the time the premiums were written, or, in the case of loss based assessments, at the time the losses are incurred.

The Company has not accrued a liability for guaranty fund and other assessments. This represents management's best estimate based on information received from the states in which the Company writes business and may change due to many factors including the Company's share of the ultimate cost of current insolvencies.

C. Gain Contingencies

Not applicable

D. Claims Related Extra Contractual Obligations and Bad Faith Losses Stemming from Lawsuits

The Company paid the following amounts in the reporting period to settle claims related extra contractual obligations or bad faith claims stemming from lawsuits.

	Direct
Claims related ECO and bad faith losses paid during the reporting period	\$0

Number of claims where amounts were paid to settle claims related extra contractual obligations or bad faith claims resulting from lawsuits during the reporting period.

(a)	(b)	(c)	(d)	(e)
0-25 Claims	26-50 Claims	51-100 Claims	101-500 Claims	More than 500 Claims
X				

Indicate whether claim count information is disclosed per claim or per claimant.

(f) Per Claim [] (g) Per Claimant [X]

E. Product Warranties

Not applicable

F. Joint and Several Liabilities

Not applicable

G. All Other Contingencies

Lawsuits arise against the Company in the normal course of business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company

Note 15 - Leases

A. Lessee Leasing Arrangements

Not applicable

Noncancelable lease terms in excess of one year.

Not applicable

The Company is not involved in any sale-leaseback transactions.

B. Lessor Leasing Arrangements

1. Operating Leases

Not applicable

2. Leveraged Leases

Not applicable

Note 16 - Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

A. Financial Instruments with Off-Balance Sheet Risk

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company
NOTES TO FINANCIAL STATEMENTS

Not applicable

B. Financial Instruments with Concentrations of Credit Risk

Not applicable

Note 17 - Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

A. Transfers of Receivables Reported as Sales

Not applicable

B. Transfers and Servicing of Financial Assets

Not applicable

C. Wash Sales

Not applicable

Note 18 -Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

A. Administrative Services Only (ASO) Plans

Not applicable

B. Administrative Services Contract (ASC) Plans

Not applicable

C. Medicare or Other Similarly Structured Cost Based Reimbursement Contracts

Not applicable

Note 19 - Direct Premiums Written/Produced by Managing General Agents / Third Party Administrators

Not applicable

Note 20 - Fair Value Measurement

A. Inputs Used for Assets and Liabilities Measured and Reported at Fair Value

1. Fair Value Measurement at Reporting Date

The Company has categorized its assets and liabilities that are measured at fair value into the three- level fair value hierarchy as reflected in the table below. The three level fair value hierarchy is based on the degree of subjectivity inherent in the valuation method by which fair value was determined. The three levels are defined as follows:

Level 1- Quoted Prices in Active Markets for Identical Assets and Liabilities: This category is for items measured at fair value on a recurring basis which includes US Treasuries which are backed by the full faith and credit of the US Government. The estimated fair value of these securities within this category is based on quoted prices in active markets and is thus classified as Level 1.

Level 2- Significant Other Observable Inputs: This category is for items measured at fair value on a recurring basis which includes bonds that are not exchange traded. The estimated fair values of some of these items were determined by independent pricing services using observable inputs. Others were based on quotes from markets which were not considered actively traded.

Level 3- Significant Unobservable Inputs: The estimated fair values of some of these items were determined by broker quotes or statements using observable and unobservable inputs.

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company
NOTES TO FINANCIAL STATEMENTS**

a.	Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
	Assets at fair value				
	Cash Equivalents	416,334	—	—	416,334
		—	—	—	—
	Total Perpetual Preferred Stocks	416,334	—	—	416,334
	Bonds				
	U.S. Government	—	—	—	—
	Industrial and Misc	—	—	—	—
	Hybrid Securities	—	—	—	—
	Parent, Subsidiaries and Affiliates	—	—	—	—
	Total bonds	—	—	—	—
	Common Stock				
	Industrial and Misc	—	—	—	—
	Parent, Subsidiaries and Affiliates	—	—	—	—
	Total Common Stocks	—	—	—	—
	Other Assets				
	Joint Venture, Partnership or LLC	—	—	—	—
	Total Other Assets	—	—	—	—
	Derivative assets				
	Interest rate contracts	—	—	—	—
	Foreign exchange contracts	—	—	—	—
	Credit contracts	—	—	—	—
	Commodity futures contracts	—	—	—	—
	Commodity forward contracts	—	—	—	—
	Total Derivatives	—	—	—	—
	Separate account assets	—	—	—	—
	Total assets at fair value	416,334	—	—	416,334
b.	Liabilities at fair value				
	Derivative liabilities	—	—	—	—
	Total liabilities at fair value	—	—	—	—

2. Rollforward of Level 3 items

The Company has assets that are measured at fair value in the Level 3 category. Below is the year to date rollforward.

Description	Balance as of January 1, 2018	Transfers into Level 3	Transfers out of Level 3	Total gains and (losses) included in Net Income	Total gains and (losses) included in Surplus	Purchases	Issuances	Sales	Settlements	Balance, December 31, 2019
a	Assets									—
	Loan-Backed and Structured Securities (NAIC 3-6)									—
	Residential Mortgaged									—
	Backed Securities									—
	Commercial Mortgaged-Backed Securities									—
	All Other Bonds	—	—	—	—	—	—	—	—	—
	Other Invested Assets	10,369,968	—	—	4,313,573	(4,342,119)	5,416,933	—	15,758,355	—
	Other-Fund Investments									—
	Hedge Fund, High-Yield Dept Securities									—
	Private Equity									—
	Common Stock									—
	Total Assets	10,369,968	—	—	4,313,573	(4,342,119)	5,416,933	—	15,758,355	—
b	Liabilities									—
	Total Liabilities	—	—	—	—	—	—	—	—	—

3. Policy on Transfers Into and Out of Level 3

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company
NOTES TO FINANCIAL STATEMENTS

The Company's policy is to recognize transfers in and out at the end of the reporting period, consistent with the date of the determination of fair value.

4. Inputs and Techniques Used for Level 2 and Level 3 Fair Values

Bonds carried at fair value categorized as Level 3 were valued using broker quotes or statements. These valuations are determined to be Level 3 valuations as secondary pricing was not confirmed for these securities.

Bonds carried at fair value categorized as Level 2 were valued using a market approach. These valuations are determined to be Level 2 valuations as quoted market prices for similar instruments in an active market were utilized.

5. Derivative Fair Values

Not Applicable.

B. Other Fair Value Disclosures

Not Applicable

C. Fair Values for All Financial Instruments by Levels 1, 2, and 3

Type of Finance Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	38,640,202	36,802,460	—	38,640,202	—	—
Common Stock	—	—	—	—	—	—
Cash Equivalents	416,334	416,334	416,334	—	—	—
Other Invested Assets	542,629	700,000	—	—	542,629	—

D. Financial Instruments for which Not Practicable to Estimate Fair Values

Not applicable

Note 21 - Other Items

A. Unusual or Infrequent Items

Not applicable

B. Troubled Debt Restructuring: Debtors

Not applicable

C. Other Disclosures

On November 13, 2019, the Company, in conjunction with Yosemite Insurance Company, an affiliate, filed an Insurance Business Transfer ("IBT") plan with the Insurance Commissioner of the State of Oklahoma. The Oklahoma IBT Act allows the Oklahoma County District Court to order a statutory novation transferring business to an Oklahoma-Domiciled insurer. The final court hearing is scheduled for May 13, 2020.

D. Business Interruption Insurance Recoveries

Not applicable

E. State Transferable Tax Credits

Not applicable

F. Subprime Mortgage Exposure

Not applicable

G. Insurance - Linked Securities (ILS) Contracts

Not applicable

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company
NOTES TO FINANCIAL STATEMENTS

Note 22 - Events Subsequent

Subsequent events have been considered through February 25, 2020, the date of issuance of these statutory financial statements. There were no events occurring subsequent to the year that merited recognition or disclosure in these statements.

Note 23 - Reinsurance

A. Unsecured Reinsurance Recoverables

The Company has an unsecured aggregate recoverable for losses, paid and unpaid including IBNR, loss adjustment expenses and unearned premium with individual reinsurers, authorized and unauthorized, that exceeds 3% of the policyholders' surplus.

GROUP	NAIC	FEIN	COMPANY	AMOUNT
00361	19720	52-2048110	AMERICAN ALT INS CORP	58,735
00361	10227	13-4924125	MUNICH REINS AMER INC	495,179
				<u>553,914</u>
00031	22039	13-2673100	GENERAL REINS CORP	1,923,149
00031		AA-1580065	NISSAN FIRE AND MARINE INS CO LTD	122,589
				<u>2,045,738</u>
	41629	06-1053492	NEW ENGLAND REINS CORP	667,988
00796	25747	91-6027360	UNIGARD INS CO	23,136,715
00796	10219	23-1641984	QBE REINS CORP	281,536
00796		AA-1120145	QBE REINS (UK) LTD	2,599
				<u>23,420,850</u>
	00000	AA-9991401	ALASKA WORKERS COMP	1,261,534
	25364	13-1675535	SWISS REINS AMER CORP	555,664
	00000	AA-9995022	EXCESS & CAS REINS ASSN	1,032,019

B. Reinsurance Recoverable in Dispute for the Year Ended December 31, 2019.

The Company does not have reinsurance recoverable for paid losses and loss adjustment expenses in dispute that exceed 5% of policyholders' surplus for an individual reinsurer or 10% of policyholders' surplus in aggregate.

C. Reinsurance Assumed and Ceded

(1) The following table summarizes ceded and assumed unearned premiums and the related equity at December 31, 2019.

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
b. All other	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
c. Total	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
d. Direct Unearned Premium Reserve	\$ —					

(2) The additional or return commission, predicated on loss experience or on any other form of profit sharing arrangements in this annual statement as a result of existing contractual arrangements are accrued as follows:

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company
NOTES TO FINANCIAL STATEMENTS

<u>REINSURANCE</u>						
		Direct	Assumed	Ceded	Net	
a. Contingent commission	\$	—	\$	—	\$	—
b. Sliding scale adjustments	\$	—	\$	—	\$	—
c. Other Profit Commissions Arrangements	\$	—	\$	—	\$	—
d. TOTAL	\$	—	\$	—	\$	—

(3) None

D. Uncollectible Reinsurance

(1) The Company has written off in the current year reinsurance balances due from (due to) reinsurers in the amount of (18,893) which is reflected as losses incurred:

a. Losses incurred	\$	(27,237)
b. Loss adjustment expenses incurred	\$	—
c. Premiums earned	\$	—
d. Other	\$	—
 e. <u>Company</u>	 <u>Amount</u>	
TRAVELERS		(4)
LAMORAK		168
GREAT AMERICAN		6,809
SOMPO AMERICA INSURANCE CO		22
DOMINION		(24)
LLOYDS OF LONDON		(34,208)
	<u>\$</u>	<u>(27,237)</u>

E. Commutation of Ceded Reinsurance

(1) The company has reported in its operations in the current year as a result of commutation of reinsurance with the companies listed below, statement of income benefit amounts that are reflected as:

a. Losses incurred	\$	(98,326)
b. Loss adjustment expenses incurred		
c. Premiums earned	\$	—
d. Other	\$	—
 e. <u>Company</u>	 <u>Amount</u>	
Trasfercom Ltd	\$	(98,326)
	<u>\$</u>	<u>(98,326)</u>

Retroactive Reinsurance

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company
NOTES TO FINANCIAL STATEMENTS**

(1)

	Reported Company	
	Assumed	Ceded
a. Reserves Transferred		
1. Initial Reserves	\$ 226,213,063	\$ (212,289,325)
2. Adjustments - Prior Year(s)	(139,259,846)	125,336,108
3. Adjustments - Current Year	(18,213,419)	18,213,419
4. Current Total	\$ 68,739,798	\$ (68,739,798)
b. Consideration Paid or Received		
1. Initial Reserves	\$ 226,213,063	\$ (212,289,325)
2. Adjustments - Prior Year(s)	(3,236,468)	3,236,468
3. Adjustments - Current Year	—	—
4. Current Total	\$ 222,976,595	\$ (209,052,857)
c. Paid Losses Reimbursed or (Recovered):		
1. Prior Year(s)	\$ 29,524,122	\$ (28,676,064)
2. Current Year	7,145,802	(7,145,802)
3. Current Total	\$ 36,669,924	\$ (35,821,866)
d. Special Surplus from Retroactive Reinsurance:		
1. Initial Surplus Gain or Loss	\$ —	\$ —
2. Adjustments - Prior Year(s)	—	—
3. Adjustments - Current Year	—	—
4. Current Year Restricted Surplus	—	—
5. Cumulative Total Transferred to Unassigned Funds	\$ —	\$ —

e. All cedents and reinsurers involved in all transactions included in summary totals above

Company	Assumed Amount	Ceded Amount
- American Physicians Assurance Corporation NAIC Company Code: 33006	5,399,273	
- Reciprocal of America, In Liquidation NAIC Company Code: 33812	45,595,636	
- American Healthcare Indemnity Company NAIC Company Code: 39152	17,744,888	
- Yosemite Insurance Company NAIC Company Code 26220		(375,988)
- Fitzwilliam Insurance Ltd, Bermuda		(68,363,809)
	68,739,797	(68,739,797)

f. Total Paid Loss/LAE amounts recoverable (for authorized, unauthorized and certified reinsurers), any amounts more than 90 days overdue (for authorized, unauthorized and certified reinsurers), and for the amounts recoverable the collateral held (for authorized, unauthorized and certified reinsurers) as respects amounts recoverable from authorized reinsurers:

1. Authorized Reinsurers

Company	Total Paid/Loss/LAE Recoverable	Amounts Over 90 Days Overdue
General Re	\$ 21,231	\$ —
Odyssey Re / TIG Reins Co	\$ 236	\$ 77
Midwest Employers (MECC)	\$ 6,214	\$ —
SAFETY NATIONAL	\$ 73,118	\$ —
US FIRE	\$ 192	\$ —
Total	\$ 100,991	\$ 77

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company
NOTES TO FINANCIAL STATEMENTS**

2. Unauthorized Reinsurers

Company	Total Paid/Loss/LAE Recoverable	Amounts Over 90 Days Overdue	Collateral Held
WCRA Minnesota	\$ 83,003	\$ —	\$ —
Cavello Bay	\$ 27,688	\$ —	\$ —
Total	\$ 110,691	\$ —	\$ —

3. Certified Reinsurers

Company	Total Paid/Loss/LAE Recoverable	Amounts Over 90 Days Overdue	Collateral Held
	\$ —	\$ —	\$ —
Total	\$ —	\$ —	\$ —

G. Reinsurance Accounted for as a Deposit

Not applicable

H. Disclosures for the Transfer of Property and Casualty Run-off Agreements

Not applicable

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

(1) Reporting Entity Ceding to Certified Reinsurer Whose Rating Was Downgraded or Status Subject to Revocation

a.

Name of Certified Reinsurer	Relationship to Reporting Entity	Date of Action	Jurisdiction of Action	Collateral Percentage Requirement		Net Obligation Subject to Collateral	Collateral Required (but not Received)
				Before	After		

Note 24 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

None

Note 25 - Change in Incurred Losses and Loss Adjustment Expenses

Net Loss and Loss Adjustment Expense Reserves was \$0 at December 31, 2019. Net Loss and Loss Adjustment Expense Incurred was \$0 (nil) as a result of the NRLA agreement with Yosemite Insurance Company.

Note 26 - Intercompany Pooling Arrangements

Not applicable

Note 27 - Structured Settlements

A. Reserves Released due to Purchase of Annuities

The Company has purchased annuities from life insurers under which the claimants are payees (see Note 14A). These annuities have been used to reduce unpaid losses by \$6,665,312 as of December 31, 2019. The Company has a contingent liability of \$6,665,312 should the issuers of these annuities fail to perform under the terms of the annuities.

B. Annuity Insurers with Balances due Greater than 1% of Policyholders' Surplus.

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company
NOTES TO FINANCIAL STATEMENTS

NAIC #	Company & Location	Licensed in Company's State of Domicile	Present Value of Annuity
60186	Allstate Life Insurance Co Northbrook, IL	Yes	\$ 307,255
60488	American General Life Co Houston, TX	Yes	\$ 606,361
70025	Genworth Life Insurance Company Richmond, Virginia	Yes	\$ 2,420,622
65978	Metropolitan Life Insurance Company New York, New York	Yes	\$ 745,837
67466	Pacific Life Insurance Company Newport Beach, CA	Yes	\$ 403,432
68608	Symetra Life Insurance Company Seattle, Washington	Yes	\$ 2,009,945

Note 28 - Health Care Receivables

Not Applicable

Note 29 - Participating Policies

Not Applicable

Note 30 - Premium Deficiency Reserves

Not Applicable

Note 31 - High Deductibles

Not Applicable

Note 32 - Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

The Company's liabilities for unpaid workers compensation claims are not discounted.

Note 33 - Asbestos/Environmental Reserves

The Company has exposure to environmental and asbestos claims. The Company's environmental and asbestos exposure arises from the Company's past sale of General Liability, Commercial Multi-Peril, and Commercial Automobile insurance as well as from past participation in Assumed Reinsurance Pools. Regarding the direct exposure, the Company estimates the full impact of the environmental and asbestos exposure by establishing full case-basis reserves on all known claims and by computing incurred but not reported losses based on historical experience.

As respects the environmental and asbestos liability arising from assumed reinsurance, the Company was a participant in a pool of approximately fifty assumed reinsurance treaties which were discontinued in 1987. One of these treaties involves a small share of the ECRA pool. The participation in each treaty, although small (ranging from one-half of one percent to four percent), varied substantially by year with not all treaties being in-force for all years.

A. Does the company have on the books, or has it ever written an insured for which you have identified a potential for the existence of a liability due to asbestos losses? Yes

The Company tries to estimate the full impact of the asbestos exposure by establishing full case basis reserves on all known losses and computing incurred but not reported losses based on previous experience.

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company
NOTES TO FINANCIAL STATEMENTS

(1) Direct

	2015	2016	2017	2018	2019
a. Beginning reserves:	\$ 14,132,000	\$ 9,502,000	\$ 8,672,926	\$ 7,800,890	\$ 8,206,432
b. Incurred losses and loss adjustment expense:	\$ (2,922,000)	\$ 1,139,478	\$ 103,497	\$ 1,536,409	\$ (408,681)
c. Calendar year payment losses and loss adjustment expenses:	\$ 1,708,000	\$ 1,968,552	\$ 975,533	\$ 1,130,867	\$ 604,227
d. Ending reserves:	\$ 9,502,000	\$ 8,672,926	\$ 7,800,890	\$ 8,206,432	\$ 7,193,524

(2) Assumed Reinsurance-

	2015	2016	2017	2018	2019
a. Beginning reserves:	\$ 16,629,000	\$ 12,214,000	\$ 13,512,663	\$ 13,955,031	\$ 12,620,219
b. Incurred losses and loss adjustment expense:	\$ (3,251,000)	\$ 1,513,558	\$ 1,226,566	\$ (156,222)	\$ (756,998)
c. Calendar year payment losses and loss adjustment expense:	\$ 1,164,000	\$ 214,895	\$ 784,197	\$ 1,178,590	\$ 656,901
d. Ending reserves:	\$ 12,214,000	\$ 13,512,663	\$ 13,955,031	\$ 12,620,219	\$ 11,206,320

(3) Net of Ceded Reinsurance

	2015	2016	2017	2018	2019
a. Beginning reserves:	\$ 20,538,000	\$ 14,937,000	\$ 17,360,004	\$ 18,278,847	\$ —
b. Incurred losses and loss adjustment expense:	\$ (4,327,000)	\$ 4,016,752	\$ 1,437,034	\$ (18,737,344)	\$ —
c. Calendar year payment losses and loss adjustment expenses:	\$ 1,274,000	\$ 1,593,748	\$ 518,191	\$ (458,497)	\$ —
d. Ending reserves:	\$ 14,937,000	\$ 17,360,004	\$ 18,278,847	\$ —	\$ —

B. State the amount of ending reserves for Bulk + IBNR included in A (Loss & LAE):

(1) Direct Loss	\$	2,485,565
(2) Assumed Reinsurance Basis:	\$	8,161,292
(3) Net of Ceded Reinsurance Basis:	\$	—

C. State the amount of the ending reserves for loss adjustment expenses included in A (Case, Bulk + IBNR)

(1) Direct Loss	\$	611,458
(2) Assumed Reinsurance Basis:	\$	229,525
(3) Net of Ceded Reinsurance Basis:	\$	—

D. Does the company have on the books, or has it ever written an insured for which you have identified a potential for the existence of a liability due to environmental losses? Yes

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company
NOTES TO FINANCIAL STATEMENTS

(1) Direct

	2015	2016	2017	2018	2019
a. Beginning reserves:	\$ 19,317,000	\$ 5,424,000	\$ 6,783,283	\$ 5,400,037	\$ 4,878,799
b. Incurred losses and loss adjustment expense:	\$ (6,607,000)	\$ 3,311,794	\$ 1,228,024	\$ 2,020,730	\$ 2,249,140
c. Calendar year payment losses and loss adjustment expenses:	\$ 7,286,000	\$ 1,952,511	\$ 2,611,270	\$ 2,541,969	\$ 798,798
d. Ending reserves:	\$ 5,424,000	\$ 6,783,283	\$ 5,400,037	\$ 4,878,798	\$ 6,329,141

(2) Assumed Reinsurance-

	2015	2016	2017	2018	2019
a. Beginning reserves:	\$ 6,243,000	\$ 5,744,000	\$ 3,986,430	\$ 335,417	\$ 496,002
b. Incurred losses and loss adjustment expense:	\$ (285,000)	\$ (1,715,072)	\$ (2,091,050)	\$ 221,510	\$ 224,985
c. Calendar year payment losses and loss adjustment expenses:	\$ 214,000	\$ 42,498	\$ 1,559,963	\$ 60,925	\$ 12,177
d. Ending reserves:	\$ 5,744,000	\$ 3,986,430	\$ 335,417	\$ 496,002	\$ 708,810

(3) Net of Ceded Reinsurance

	2015	2016	2017	2018	2019
a. Beginning reserves:	\$ 9,130,000	\$ 9,649,000	\$ 9,382,113	\$ 4,126,928	\$ —
b. Incurred losses and loss adjustment expense:	\$ 1,370,000	\$ 1,647,895	\$ (1,552,929)	\$ (2,931,918)	\$ —
c. Calendar year payment losses and loss adjustment expenses:	\$ 851,000	\$ 1,914,782	\$ 3,702,256	\$ 1,195,010	\$ —
d. Ending reserves:	\$ 9,649,000	\$ 9,382,113	\$ 4,126,928	\$ —	\$ —

E. State the amount of the ending reserves for Bulk + IBNR included in D (Loss & LAE):

(1) Direct Loss	\$	3,082,870
(2) Assumed Reinsurance Basis:	\$	601,990
(3) Net of Ceded Reinsurance Basis:	\$	—

F. State the amount of the ending reserves for loss adjustment expenses included in D (Case, Bulk + IBNR):

(1) Direct Loss	\$	1,168,282
(2) Assumed Reinsurance Basis:	\$	411,316
(3) Net of Ceded Reinsurance Basis:	\$	—

Note 34 - Subscriber Savings Account

Not applicable

Note 35 - Multiple Peril Crop Insurance

Not applicable

Note 36 - Financial Guaranty Insurance

Not applicable

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
 If yes, complete Schedule Y, Parts 1, 1A and 2.
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [] N/A []
- 1.3 State Regulating? Rhode Island.....
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [X] No []
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. 1363829.....
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made.12/31/2018
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.12/31/2015
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).06/10/2015
- 3.4 By what department or departments? Rhode Island.....
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [X] No [] N/A []
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [] N/A []
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes [] No [X]
- 4.12 renewals? Yes [] No [X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [] No [X]
- 4.22 renewals? Yes [] No [X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
 If yes, complete and file the merger history data file with the NAIC.
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
.....
.....
.....

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 6.2 If yes, give full information
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [X] No []
- 7.2 If yes,
- 7.21 State the percentage of foreign control100.0 %
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity
Bermuda.....	Corporation.....
.....
.....

GENERAL INTERROGATORIES

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
 8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
 The Company was granted a waiver to file audited financials.....
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]
- 10.2 If the response to 10.1 is yes, provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [] No [X] N/A []
- 10.6 If the response to 10.5 is no or n/a, please explain
 The Board of Directors serves as and performs the duties of an Audit Committee.....
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
 The Company has been granted a waiver to an actuarial opinion.....
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
- 12.11 Name of real estate holding company
- 12.12 Number of parcels involved0
- 12.13 Total book/adjusted carrying value \$.....
- 12.2 If yes, provide explanation
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
- 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?
 a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 c. Compliance with applicable governmental laws, rules and regulations;
 d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 e. Accountability for adherence to the code.
- 14.11 If the response to 14.1 is no, please explain:
- 14.2 Has the code of ethics for senior managers been amended? Yes [] No [X]
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

GENERAL INTERROGATORIES

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [] No [X]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No []
17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No []
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [X] No []

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- | | | |
|--|---|---------|
| | 20.11 To directors or other officers | \$..... |
| | 20.12 To stockholders not officers | \$..... |
| | 20.13 Trustees, supreme or grand (Fraternal only) | \$..... |
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- | | | |
|--|---|---------|
| | 20.21 To directors or other officers | \$..... |
| | 20.22 To stockholders not officers | \$..... |
| | 20.23 Trustees, supreme or grand (Fraternal only) | \$..... |
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- | | | |
|--|----------------------------|---------|
| | 21.21 Rented from others | \$..... |
| | 21.22 Borrowed from others | \$..... |
| | 21.23 Leased from others | \$..... |
| | 21.24 Other | \$..... |
- 22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes [] No [X]
- 22.2 If answer is yes:
- | | | |
|--|--|---------|
| | 22.21 Amount paid as losses or risk adjustment | \$..... |
| | 22.22 Amount paid as expenses | \$..... |
| | 22.23 Other amounts paid | \$..... |
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$.....637,622

INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03) Yes [X] No []
- 24.02 If no, give full and complete information, relating thereto
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [] No [] NA [X]
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. \$.....
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs. \$.....
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] NA [X]
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] NA [X]
- 24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes [] No [] NA [X]
- 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:
- | | | |
|--------|---|----------|
| 24.101 | Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 | \$.....0 |
| 24.102 | Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 | \$.....0 |
| 24.103 | Total payable for securities lending reported on the liability page | \$.....0 |

GENERAL INTERROGATORIES

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). Yes No

25.2 If yes, state the amount thereof at December 31 of the current year:

25.21 Subject to repurchase agreements	\$
25.22 Subject to reverse repurchase agreements	\$
25.23 Subject to dollar repurchase agreements	\$
25.24 Subject to reverse dollar repurchase agreements	\$
25.25 Placed under option agreements	\$
25.26 Letter stock or securities restricted as to sale – excluding FHLB Capital Stock	\$
25.27 FHLB Capital Stock	\$
25.28 On deposit with states	\$5,511,474
25.29 On deposit with other regulatory bodies	\$
25.30 Pledged as collateral – excluding collateral pledged to an FHLB	\$2,469,720
25.31 Pledged as collateral to FHLB – including assets backing funding agreements	\$
25.32 Other	\$

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes No

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? If no, attach a description with this statement. Yes No N/A

LINES 26.3 through 26.5: FOR LIFE/FRATERNAL REPORTING ENTITIES ONLY:

26.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity? Yes No

26.4 If the response to 26.3 is YES, does the reporting entity utilize:

26.41 Special accounting provision of SSAP No. 108	Yes <input type="checkbox"/> No <input type="checkbox"/>
26.42 Permitted accounting practice	Yes <input type="checkbox"/> No <input type="checkbox"/>
26.43 Other accounting guidance	Yes <input type="checkbox"/> No <input type="checkbox"/>

26.5 By responding YES to 26.41 regarding utilizing the special accounting provisions of SSAP No. 108, the reporting entity attests to the following: Yes No

- The reporting entity has obtained explicit approval from the domiciliary state.
- Hedging strategy subject to the special accounting provisions is consistent with the requirements of VM-21.
- Actuarial certification has been obtained which indicates that the hedging strategy is incorporated within the establishment of VM-21 reserves and provides the impact of the hedging strategy within the Actuarial Guideline Conditional Tail Expectation Amount.
- Financial Officer Certification has been obtained which indicates that the hedging strategy meets the definition of a Clearly Defined Hedging Strategy within VM-21 and that the Clearly Defined Hedging Strategy is the hedging strategy being used by the company in its actual day-to-day risk mitigation efforts.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes No

27.2 If yes, state the amount thereof at December 31 of the current year. \$

28. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping agreements of the NAIC *Financial Condition Examiners Handbook*? Yes No

28.01 For agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
Bank of New York Mellon.....	500 Grant Street, Pittsburgh, PA 15258.....

28.02 For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes No

28.04 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

GENERAL INTERROGATORIES

28.05 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. [“...that have access to the investment accounts”; “...handle securities”]

1 Name of Firm or Individual	2 Affiliation
DWS Investment Managers Americas, Inc.....	U.....

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a “U”) manage more than 10% of the reporting entity’s invested assets? Yes No

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a “U”) listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity’s invested assets? Yes No

28.06 For those firms or individuals listed in the table for 28.05 with an affiliation code of “A” (affiliated) or “U” (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
104518.....	DWS Investment Managers Americas, Inc.....	549300T0v6WM1SRW072.....	Securities and Exchange Commission.....	NO.....

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D - Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])? Yes No

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 TOTAL		0

29.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund’s Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds.....	36,802,460	38,640,202	1,837,742
30.2 Preferred Stocks.....	0		0
30.3 Totals	36,802,460	38,640,202	1,837,742

30.4 Describe the sources or methods utilized in determining the fair values:

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes No

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker’s or custodian’s pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes No

31.3 If the answer to 31.2 is no, describe the reporting entity’s process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

32.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed? Yes No

32.2 If no, list exceptions:

GENERAL INTERROGATORIES

33. By self-designating 5GI securities, the reporting entity is certifying the following elements of each self-designated 5GI security:
 a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
 b. Issuer or obligor is current on all contracted interest and principal payments.
 c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.
 Has the reporting entity self-designated 5GI securities? Yes [] No [X]

34. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:
 a. The security was purchased prior to January 1, 2018.
 b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
 c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
 d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.
 Has the reporting entity self-designated PLGI securities? Yes [] No [X]

35. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:
 a. The shares were purchased prior to January 1, 2019.
 b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
 c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
 d. The fund only or predominantly holds bonds in its portfolio.
 e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
 f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.
 Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? Yes [] No [X]

OTHER

36.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$4,988
 36.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations, and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
North Carolina Rate Bureau.....	\$.....1,250

37.1 Amount of payments for legal expenses, if any? \$27,806
 37.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
Norman E. Taplin & Associates.....	\$.....26,350

38.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers, or departments of government, if any? \$
 38.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers, or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
.....	\$.....
.....	\$.....
.....	\$.....

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]
 1.2 If yes, indicate premium earned on U. S. business only. \$0
 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$

1.31 Reason for excluding

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$
 1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$0

1.6 Individual policies:

Most current three years:

1.61 Total premium earned \$0
 1.62 Total incurred claims \$0
 1.63 Number of covered lives

All years prior to most current three years:

1.64 Total premium earned \$0
 1.65 Total incurred claims \$0
 1.66 Number of covered lives

1.7 Group policies:

Most current three years:

1.71 Total premium earned \$0
 1.72 Total incurred claims \$0
 1.73 Number of covered lives

All years prior to most current three years:

1.74 Total premium earned \$0
 1.75 Total incurred claims \$0
 1.76 Number of covered lives

2. Health Test:

		1 Current Year	2 Prior Year
2.1	Premium Numerator	\$0	\$0
2.2	Premium Denominator	\$0	\$(37,896,881)
2.3	Premium Ratio (2.1/2.2)	.....0.000	.....0.000
2.4	Reserve Numerator	\$0	\$0
2.5	Reserve Denominator	\$4,483,935	\$3,946,475
2.6	Reserve Ratio (2.4/2.5)	.....0.000	.....0.000

3.1 Does the reporting entity issue both participating and non-participating policies? Yes [] No [X]

3.2 If yes, state the amount of calendar year premiums written on:

3.21 Participating policies \$
 3.22 Non-participating policies \$

4. For Mutual reporting entities and Reciprocal Exchanges only:

4.1 Does the reporting entity issue assessable policies?..... Yes [] No []
 4.2 Does the reporting entity issue non-assessable policies?..... Yes [] No []
 4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders?..... %
 4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. \$

5. For Reciprocal Exchanges Only:

5.1 Does the exchange appoint local agents?..... Yes [] No []
 5.2 If yes, is the commission paid:
 5.21 Out of Attorney's-in-fact compensation..... Yes [] No [] N/A []
 5.22 As a direct expense of the exchange..... Yes [] No [] N/A []

5.3 What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact?

5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred?..... Yes [] No []

5.5 If yes, give full information

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

- 6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss:
 None - company in runoff since 2004 - no current exposure.....
- 6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:
 Not applicable - see response to 6.1 above.....
- 6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?.....
 Not applicable - see response to 6.1 above.....
- 6.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence?..... Yes [] No [X]
- 6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to unreinsured catastrophic loss
 Not applicable - see response to 6.1 above.....
- 7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)?..... Yes [] No [X]
- 7.2 If yes, indicate the number of reinsurance contracts containing such provisions.....
- 7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)?..... Yes [] No []
- 8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured?..... Yes [] No [X]
- 8.2 If yes, give full information
- 9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
 (a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;
 (b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
 (c) Aggregate stop loss reinsurance coverage;
 (d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;
 (e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or
 (f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity..... Yes [] No [X]
- 9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:
 (a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
 (b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract. Yes [] No [X]
- 9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:
 (a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;
 (b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
 (c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.
- 9.4 Except for transactions meeting the requirements of paragraph 37 of SSAP No. 62R - *Property and Casualty Reinsurance*, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
 (a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
 (b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? Yes [] No [X]
- 9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.
- 9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:
 (a) The entity does not utilize reinsurance; or, Yes [] No [X]
 (b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or Yes [] No [X]
 (c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. Yes [] No [X]
10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes [X] No [] N/A []

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

- 11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force:..... Yes [] No [X]
 11.2 If yes, give full information
- 12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:
 12.11 Unpaid losses..... \$
 12.12 Unpaid underwriting expenses (including loss adjustment expenses)..... \$
- 12.2 Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds?..... \$
- 12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? Yes [] No [] N/A [X]
- 12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:
 12.41 From..... %
 12.42 To..... %
- 12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? Yes [] No [X]
- 12.6 If yes, state the amount thereof at December 31 of current year:
 12.61 Letters of Credit..... \$
 12.62 Collateral and other funds..... \$
- 13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): \$ 1,000,000
- 13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes [] No [X]
- 13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount.
- 14.1 Is the reporting entity a cedant in a multiple cedant reinsurance contract?..... Yes [] No [X]
 14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:
- 14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts?..... Yes [] No []
 14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements?..... Yes [] No []
 14.5 If the answer to 14.4 is no, please explain:
- 15.1 Has the reporting entity guaranteed any financed premium accounts?..... Yes [] No [X]
 15.2 If yes, give full information
- 16.1 Does the reporting entity write any warranty business? Yes [] No [X]
 If yes, disclose the following information for each of the following types of warranty coverage:

	1 Direct Losses Incurred	2 Direct Losses Unpaid	3 Direct Written Premium	4 Direct Premium Unearned	5 Direct Premium Earned
16.11 Home	\$	\$	\$	\$	\$
16.12 Products	\$	\$	\$	\$	\$
16.13 Automobile	\$	\$	\$	\$	\$
16.14 Other*	\$	\$	\$	\$	\$

* Disclose type of coverage:

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F – Part 3 that is exempt from the statutory provision for unauthorized reinsurance? Yes [] No [X]

Incurred but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from the statutory provision for unauthorized reinsurance. Provide the following information for this exemption:

- 17.11 Gross amount of unauthorized reinsurance in Schedule F – Part 3 exempt from the statutory provision for unauthorized reinsurance..... \$.....
- 17.12 Unfunded portion of Interrogatory 17.11..... \$.....
- 17.13 Paid losses and loss adjustment expenses portion of Interrogatory 17.11 \$.....
- 17.14 Case reserves portion of Interrogatory 17.11..... \$.....
- 17.15 Incurred but not reported portion of Interrogatory 17.11..... \$.....
- 17.16 Unearned premium portion of Interrogatory 17.11..... \$.....
- 17.17 Contingent commission portion of Interrogatory 17.11..... \$.....

18.1 Do you act as a custodian for health savings accounts? Yes [] No [X]

18.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$.....

18.3 Do you act as an administrator for health savings accounts? Yes [] No [X]

18.4 If yes, please provide the balance of the funds administered as of the reporting date. \$.....

19. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? Yes [X] No []

19.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? Yes [] No []

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company

FIVE-YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e., 17.6.

	1 2019	2 2018	3 2017	4 2016	5 2015
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	151	417	262	28,383	0
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	0
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	0
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
6. Total (Line 35)	151	417	262	28,383	0
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	0	(16,695,172)	262	(18,416,531)	156,256
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	0
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	(2,160,767)	0	0	113,151
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	(19,040,942)	0	0	0
12. Total (Line 35)	0	(37,896,881)	262	(18,416,531)	269,407
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	(2,745,696)	(6,047,055)	(1,591,824)	(10,429,840)	7,769,027
14. Net investment gain (loss) (Line 11)	4,376,571	2,924,910	3,341,838	3,272,640	3,710,760
15. Total other income (Line 15)	(509,972)	3,345,387	152,796	2,324,472	8,971,163
16. Dividends to policyholders (Line 17)	0	0	0	0	0
17. Federal and foreign income taxes incurred (Line 19)	(92,574)	0	(3,729)	(100,651)	2,208,518
18. Net income (Line 20)	1,213,478	223,242	1,906,538	(4,732,077)	18,242,431
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	50,795,259	117,845,666	159,722,614	188,433,818	214,829,699
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	0	0	42,394	42,805	43,837
20.2 Deferred and not yet due (Line 15.2)	0	0	0	0	0
20.3 Accrued retrospective premiums (Line 15.3)	0	0	0	0	0
21. Total liabilities excluding protected cell business (Page 3, Line 26)	33,366,911	97,425,750	111,784,139	131,703,991	139,664,808
22. Losses (Page 3, Line 1)	0	0	33,087,306	38,300,242	54,900,538
23. Loss adjustment expenses (Page 3, Line 3)	0	0	5,842,455	8,147,491	9,999,708
24. Unearned premiums (Page 3, Line 9)	0	0	0	0	0
25. Capital paid up (Page 3, Lines 30 & 31)	5,021,200	5,021,200	5,021,200	5,021,200	5,021,200
26. Surplus as regards policyholders (Page 3, Line 37)	17,428,348	20,419,916	47,938,475	56,729,827	75,164,891
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	(4,717,339)	(45,712,936)	(5,040,479)	(27,540,811)	2,126,693
Risk-Based Capital Analysis					
28. Total adjusted capital	17,428,348	20,419,916	47,938,475	56,729,827	75,164,891
29. Authorized control level risk-based capital	1,130,786	2,018,015	8,032,553	9,900,906	9,774,795
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3)(Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1)	94.7	86.7	86.6	87.6	83.9
31. Stocks (Lines 2.1 & 2.2)	0.0	0.0	0.0	0.0	0.0
32. Mortgage loans on real estate (Lines 3.1 and 3.2)	0.0	0.0	0.0	0.0	0.0
33. Real estate (Lines 4.1, 4.2 & 4.3)	0.0	0.0	0.0	0.0	0.0
34. Cash, cash equivalents and short-term investments (Line 5)	3.5	3.2	4.4	2.3	13.4
35. Contract loans (Line 6)	0.0	0.0	0.0	0.0	0.0
36. Derivatives (Line 7)	0.0	0.0	0.0	0.0	0.0
37. Other invested assets (Line 8)	1.8	10.1	9.0	10.1	2.7
38. Receivables for securities (Line 9)	0.0	0.0	0.0	0.0	0.0
39. Securities lending reinvested collateral assets (Line 10)	0.0	0.0	0.0	0.0	0.0
40. Aggregate write-ins for invested assets (Line 11)	0.0	0.0	0.0	0.0	0.0
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds, (Sch. D, Summary, Line 12, Col. 1)	0	0	0	0	0
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1)	0	0	0	0	0
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1)	0	0	0	0	0
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)	0	0	0	0	0
46. Affiliated mortgage loans on real estate	0	0	0	0	0
47. All other affiliated	0	0	0	0	0
48. Total of above Lines 42 to 47	0	0	0	0	0
49. Total Investment in parent included in Lines 42 to 47 above	0	0	0	0	0
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)	0.0	0.0	0.0	0.0	0.0

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Providence Washington Insurance Company

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2019	2 2018	3 2017	4 2016	5 2015
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24)	(4,248,570)	638,494	1,829,057	742,259	(594,654)
52. Dividends to stockholders (Line 35)	0	0	(11,922,852)	(18,132,009)	0
53. Change in surplus as regards policyholders for the year (Line 38)	(2,991,568)	(27,518,559)	(8,791,351)	(18,435,064)	19,792,304
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	2,375,135	7,407,299	4,656,995	3,381,977	9,855,074
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)	(2,990)	(3,576)	(1,264)	(1,334)	(1,142)
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	573,596	175,598	80,674	389,919	905,885
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	(43)	(30)	(52)	45,000	(45)
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)	840,837	2,482,808	2,658,509	250,243	2,900,224
59. Total (Line 35)	3,786,534	10,062,099	7,394,862	4,065,805	13,659,996
Net Losses Paid (Page 9, Part 2, Col. 4)					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	0	(1,894,072)	1,005,178	1,005,845	4,650,162
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	(3,189)	(800)	(867)	(733)
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	3,009	16,217	256,818	455,681
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	1	0	45,000	0
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	2,341,693	2,579,294	215,399	2,749,554
65. Total (Line 35)	0	447,442	3,599,889	1,522,195	7,854,664
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2)	0.0	86.1	(616,537.5)	81.9	(170.6)
68. Loss expenses incurred (Line 3)	0.0	9.2	(159,878.5)	(8.9)	(4,960.9)
69. Other underwriting expenses incurred (Line 4)	0.0	(11.2)	1,384,941.7	(29.6)	2,347.8
70. Net underwriting gain (loss) (Line 8)	0.0	16.0	(608,425.8)	56.6	2,883.8
Other Percentages					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0)	0.0	(2.4)	1,326,540.2	(17.0)	(982.1)
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	0.0	95.3	(776,415.9)	73.0	(5,131.6)
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 37, Col. 1 x 100.0)	0.0	(185.6)	0.0	(32.5)	0.4
One Year Loss Development (\$000 omitted)					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11)	0	(33,163)	(2,243)	(15,066)	(1,419)
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100.0)	0.0	(69.2)	(4.0)	(20.0)	(2.6)
Two Year Loss Development (\$000 omitted)					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12)	(33,163)	(35,405)	(17,309)	(16,485)	(34,926)
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0)	(69.2)	(62.4)	(23.0)	(29.8)	(78.0)

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3 - Accounting Changes and Correction of Errors?

Yes [] No []

If no, please explain

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES
SCHEDULE P - PART 1 - SUMMARY

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior	XXX	XXX	XXX	3,787	3,787	3,874	3,874	2,684	2,684	0	0	XXX
2. 2010	40	(416)	456	0	0	0	0	0	0	0	0	XXX
3. 2011	103	(85)	188	0	0	0	0	0	0	0	0	XXX
4. 2012	0	(251)	251	0	0	0	0	0	0	0	0	XXX
5. 2013	15	(569)	584	0	0	0	0	0	0	0	0	XXX
6. 2014	26	(111)	137	0	0	0	0	0	0	0	0	XXX
7. 2015	0	(269)	269	0	0	0	0	0	0	0	0	XXX
8. 2016	28	18,445	(18,417)	0	0	0	0	0	0	0	0	XXX
9. 2017	0	0	0	0	0	0	0	0	0	0	0	XXX
10. 2018	0	37,898	(37,898)	0	0	0	0	0	0	0	0	XXX
11. 2019	0	0	0	0	0	0	0	0	0	0	0	XXX
12. Totals	XXX	XXX	XXX	3,787	3,787	3,874	3,874	2,684	2,684	0	0	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13	14	15	16	17	18	19	20					
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded					
1.	34,597	34,597	28,198	28,198	1,995	1,995	6,308	6,308	4,266	4,266	0	0	XXX
2.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
3.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
4.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
5.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
6.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
7.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
8.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
9.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
10.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
11.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
12.	34,597	34,597	28,198	28,198	1,995	1,995	6,308	6,308	4,266	4,266	0	0	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1.	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	0	0
2.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
3.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
4.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
5.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
6.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
7.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
8.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
9.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
10.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
11.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
12.	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	0	0

Note: Parts 2 and 4 are gross of all discounting, including tabular discounting. Part 1 is gross of only nontabular discounting, which is reported in Columns 32 and 33 of Part 1. The tabular discount, if any, is reported in the Notes to Financial Statements, which will reconcile Part 1 with Parts 2 and 4.

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	One Year	Two Year
1. Prior	180,430	173,700	173,778	178,134	144,626	143,208	128,141	125,899	92,736	92,736	0	(33,163)
2. 2010	0	0	0	0	0	0	0	0	0	0	0	0
3. 2011	XXX	0	0	0	0	0	0	0	0	0	0	0
4. 2012	XXX	XXX	0	0	0	0	0	0	0	0	0	0
5. 2013	XXX	XXX	XXX	0	0	0	0	0	0	0	0	0
6. 2014	XXX	XXX	XXX	XXX	0	0	0	0	0	0	0	0
7. 2015	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0	0	0
8. 2016	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0	0
9. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0
10. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	XXX
11. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	XXX	XXX
12. Totals											0	(33,163)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019		
1. Prior	000	21,943	53,960	80,831	73,690	82,760	86,126	90,715	92,736	92,736	XXX	XXX
2. 2010	0	0	0	0	0	0	0	0	0	0	XXX	XXX
3. 2011	XXX	0	0	0	0	0	0	0	0	0	XXX	XXX
4. 2012	XXX	XXX	0	0	0	0	0	0	0	0	XXX	XXX
5. 2013	XXX	XXX	XXX	0	0	0	0	0	0	0	XXX	XXX
6. 2014	XXX	XXX	XXX	XXX	0	0	0	0	0	0	XXX	XXX
7. 2015	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0	XXX	XXX
8. 2016	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0	XXX	XXX
9. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	XXX	XXX
10. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	XXX
11. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1	2	3	4	5	6	7	8	9	10
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
1. Prior	83,273	70,613	64,339	55,056	41,722	30,211	25,427	21,097	0	0
2. 2010	0	0	0	0	0	0	0	0	0	0
3. 2011	XXX	0	0	0	0	0	0	0	0	0
4. 2012	XXX	XXX	0	0	0	0	0	0	0	0
5. 2013	XXX	XXX	XXX	0	0	0	0	0	0	0
6. 2014	XXX	XXX	XXX	XXX	0	0	0	0	0	0
7. 2015	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0
8. 2016	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0
9. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0
10. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0
11. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated By States And Territories

States, etc.	1 Active Status (a)	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges Not Included in Premiums	9 Direct Premium Written for Federal Purchasing Groups (Included in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama	AL	L	.0	.0	290	(2,634)	36,880	.0	.0
2. Alaska	AK	L	.0	.0	423,601	(338,000)	3,769,943	.0	.0
3. Arizona	AZ	L	.0	.0	56,061	(210,311)	1,309,408	.0	.0
4. Arkansas	AR	L	.0	.0	.0	.0	.0	.0	.0
5. California	CA	L	.0	.0	741,089	2,562,002	10,644,515	.0	.0
6. Colorado	CO	L	.0	.0	1,705	64,921	92,283	.0	.0
7. Connecticut	CT	L	.0	.0	29,891	.476	1,855,790	.0	.0
8. Delaware	DE	L	.0	.0	.0	.0	.0	.0	.0
9. Dist. Columbia	DC	L	.0	.0	.0	.0	.0	.0	.0
10. Florida	FL	L	.0	.0	.0	(1,715)	11,241	.0	.0
11. Georgia	GA	L	.0	.0	41,599	8,856	81,716	.0	.0
12. Hawaii	HI	N	.0	.0	.0	.0	.0	.0	.0
13. Idaho	ID	L	.0	.0	(1,076)	(1,076)	.0	.0	.0
14. Illinois	IL	L	.0	.0	.0	123,689	1,467,557	.0	.0
15. Indiana	IN	L	.0	.0	4,278	(51,623)	23,920	.0	.0
16. Iowa	IA	L	.0	.0	.0	.0	.0	.0	.0
17. Kansas	KS	L	.0	.0	.0	.0	.0	.0	.0
18. Kentucky	KY	L	.0	.0	.0	.0	.0	.0	.0
19. Louisiana	LA	L	.0	.0	15,766	(55,601)	.0	.0	.0
20. Maine	ME	L	.0	.0	.0	.0	.0	.0	.0
21. Maryland	MD	L	.0	.0	.0	.0	.0	.0	.0
22. Massachusetts	MA	L	.0	.0	73,276	(50,774)	778,222	.0	.0
23. Michigan	MI	L	.0	.0	.0	(9,187)	212,544	.0	.0
24. Minnesota	MN	L	.0	.0	.0	.0	.0	.0	.0
25. Mississippi	MS	L	.0	.0	4,156	(1,992)	16,854	.0	.0
26. Missouri	MO	L	.0	.0	.0	.0	.0	.0	.0
27. Montana	MT	L	.0	.0	.0	(86)	.0	.0	.0
28. Nebraska	NE	L	.0	.0	.0	.0	.0	.0	.0
29. Nevada	NV	L	.0	.0	.0	.0	.0	.0	.0
30. New Hampshire	NH	L	.0	.0	1,420	(1,213)	18,081	.0	.0
31. New Jersey	NJ	L	.0	.0	13,982	(130,870)	1,539,850	.0	.0
32. New Mexico	NM	L	.0	.0	.0	.0	.0	.0	.0
33. New York	NY	L	.0	.0	552,284	(434,568)	4,799,181	.0	.0
34. No. Carolina	NC	L	.0	.0	11,958	(8,353)	152,060	.0	.0
35. No. Dakota	ND	L	.0	.0	.0	.0	.0	.0	.0
36. Ohio	OH	L	.0	.0	(75)	(1,236)	94,536	.0	.0
37. Oklahoma	OK	L	.0	.0	.0	.0	.0	.0	.0
38. Oregon	OR	L	.0	.0	(5,453)	(67,624)	1,456,025	.0	.0
39. Pennsylvania	PA	L	.0	.0	58,717	(259,810)	386,388	.0	.0
40. Rhode Island	RI	L	.0	.0	7,534	(247,508)	154,142	.0	.0
41. So. Carolina	SC	L	.0	.0	.0	.0	.0	.0	.0
42. So. Dakota	SD	L	.0	.0	.0	.0	.0	.0	.0
43. Tennessee	TN	L	.0	.0	19,167	(26,829)	485,817	.0	.0
44. Texas	TX	L	.0	.0	33,801	(84,963)	1,920,459	.0	.0
45. Utah	UT	N	.0	.0	2,620	(33,603)	77,124	.0	.0
46. Vermont	VT	L	.0	.0	.0	.0	.0	.0	.0
47. Virginia	VA	L	.0	.0	.0	.0	.0	.0	.0
48. Washington	WA	L	.0	.0	696,935	7,785,605	11,741,758	.0	.0
49. West Virginia	WV	L	.0	.0	.0	.0	.0	.0	.0
50. Wisconsin	WI	L	.0	.0	.0	.0	.0	.0	.0
51. Wyoming	WY	N	.0	.0	.0	.0	.0	.0	.0
52. American Samoa	AS	N	.0	.0	.0	.0	.0	.0	.0
53. Guam	GU	N	.0	.0	.0	.0	.0	.0	.0
54. Puerto Rico	PR	N	.0	.0	.0	.0	.0	.0	.0
55. U.S. Virgin Islands	VI	N	.0	.0	.0	.0	.0	.0	.0
56. Northern Mariana Islands	MP	N	.0	.0	.0	.0	.0	.0	.0
57. Canada	CAN	N	.0	.0	.0	.0	.0	.0	.0
58. Aggregate other alien	OT	XXX	.0	.0	.0	.0	.0	.0	.0
59. Totals		XXX	0	0	2,783,526	8,525,973	43,126,294	0	0
DETAILS OF WRITE-INS									
58001.		XXX							
58002.		XXX							
58003.		XXX							
58998. Sum. of remaining write-ins for Line 58 from overflow page		XXX	.0	.0	.0	.0	.0	.0	.0
58999. Totals (Lines 58001 through 58003 + 58998) (Line 58 above)		XXX	0	0	0	0	0	0	0

(a) Active Status Counts

L – Licensed or Chartered – Licensed insurance carrier or domiciled RRG 48 R – Registered – Non-domiciled RRGs 0
 E – Eligible – Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile – See DSLI) 0 Q – Qualified – Qualified or accredited reinsurer 0
 D – Domestic Surplus Lines Insurer (DSLII) – Reporting entities authorized to write surplus lines in the state of domicile 0 N – None of the above – Not allowed to write business in the state 9

(b) Explanation of basis of allocation of premiums by states, etc.

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK

Assets	2
Cash Flow	5
Exhibit of Capital Gains (Losses)	12
Exhibit of Net Investment Income	12
Exhibit of Nonadmitted Assets	13
Exhibit of Premiums and Losses (State Page)	19
Five-Year Historical Data	17
General Interrogatories	15
Jurat Page	1
Liabilities, Surplus and Other Funds	3
Notes To Financial Statements	14
Overflow Page For Write-Ins	100
Schedule A – Part 1	E01
Schedule A – Part 2	E02
Schedule A – Part 3	E03
Schedule A – Verification Between Years	SI02
Schedule B – Part 1	E04
Schedule B – Part 2	E05
Schedule B – Part 3	E06
Schedule B – Verification Between Years	SI02
Schedule BA – Part 1	E07
Schedule BA – Part 2	E08
Schedule BA – Part 3	E09
Schedule BA – Verification Between Years	SI03
Schedule D – Part 1	E10
Schedule D – Part 1A – Section 1	SI05
Schedule D – Part 1A – Section 2	SI08
Schedule D – Part 2 – Section 1	E11
Schedule D – Part 2 – Section 2	E12
Schedule D – Part 3	E13
Schedule D – Part 4	E14
Schedule D – Part 5	E15
Schedule D – Part 6 – Section 1	E16
Schedule D – Part 6 – Section 2	E16
Schedule D – Summary By Country	SI04
Schedule D – Verification Between Years	SI03
Schedule DA – Part 1	E17

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK (Continued)

Schedule DA – Verification Between Years	SI10
Schedule DB – Part A – Section 1	E18
Schedule DB – Part A – Section 2	E19
Schedule DB – Part A – Verification Between Years	SI11
Schedule DB – Part B – Section 1	E20
Schedule DB – Part B – Section 2	E21
Schedule DB – Part B – Verification Between Years	SI11
Schedule DB – Part C – Section 1	SI12
Schedule DB – Part C – Section 2	SI13
Schedule DB – Part D – Section 1	E22
Schedule DB – Part D – Section 2	E23
Schedule DB – Part E	E24
Schedule DB – Verification	SI14
Schedule DL – Part 1	E25
Schedule DL – Part 2	E26
Schedule E – Part 1 – Cash	E27
Schedule E – Part 2 – Cash Equivalents	E28
Schedule E – Part 2 - Verification Between Years	SI15
Schedule E – Part 3 – Special Deposits	E29
Schedule F – Part 1	20
Schedule F – Part 2	21
Schedule F – Part 3	22
Schedule F – Part 4	27
Schedule F – Part 5	28
Schedule F – Part 6	29
Schedule H – Part 1 - Accident and Health Exhibit	30
Schedule H – Part 2, Part 3, and Part 4	31
Schedule H – Part 5 – Health Claims	32
Schedule P – Part 1 – Summary	33
Schedule P – Part 1A – Homeowners/Farmowners	35
Schedule P – Part 1B – Private Passenger Auto Liability/Medical	36
Schedule P – Part 1C – Commercial Auto/Truck Liability/Medical	37
Schedule P – Part 1D – Workers’ Compensation (Excluding Excess Workers’ Compensation)	38

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK (Continued)

Schedule P – Part 1E – Commercial Multiple Peril	39
Schedule P – Part 1F – Section 1 – Medical Professional Liability – Occurrence	40
Schedule P – Part 1F – Section 2 – Medical Professional Liability – Claims-Made	41
Schedule P – Part 1G – Special Liability (Ocean, Marine, Aircraft (All Perils), Boiler and Machinery)	42
Schedule P – Part 1H – Section 1 – Other Liability–Occurrence	43
Schedule P – Part 1H – Section 2 – Other Liability – Claims-Made	44
Schedule P – Part 1I – Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary & Theft)	45
Schedule P – Part 1J – Auto Physical Damage	46
Schedule P – Part 1K – Fidelity/Surety	47
Schedule P – Part 1L – Other (Including Credit, Accident and Health)	48
Schedule P – Part 1M – International	49
Schedule P – Part 1N – Reinsurance – Nonproportional Assumed Property	50
Schedule P – Part 1O – Reinsurance – Nonproportional Assumed Liability	51
Schedule P – Part 1P – Reinsurance – Nonproportional Assumed Financial Lines	52
Schedule P – Part 1R – Section 1 – Products Liability – Occurrence	53
Schedule P – Part 1R – Section 2 – Products Liability – Claims – Made	54
Schedule P – Part 1S – Financial Guaranty/Mortgage Guaranty	55
Schedule P – Part 1T – Warranty	56
Schedule P – Part 2, Part 3 and Part 4 – Summary	34
Schedule P – Part 2A – Homeowners/Farmowners	57
Schedule P – Part 2B – Private Passenger Auto Liability/Medical	57
Schedule P – Part 2C – Commercial Auto/Truck Liability/Medical	57
Schedule P – Part 2D – Workers’ Compensation (Excluding Excess Workers’ Compensation)	57
Schedule P – Part 2E – Commercial Multiple Peril	57
Schedule P – Part 2F – Section 1 – Medical Professional Liability – Occurrence	58
Schedule P – Part 2F – Section 2 – Medical Professional Liability – Claims – Made	58
Schedule P – Part 2G – Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery)	58
Schedule P – Part 2H – Section 1 – Other Liability – Occurrence	58
Schedule P – Part 2H – Section 2 – Other Liability – Claims – Made	58
Schedule P – Part 2I – Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, and Theft)	59
Schedule P – Part 2J – Auto Physical Damage	59
Schedule P – Part 2K – Fidelity, Surety	59
Schedule P – Part 2L – Other (Including Credit, Accident and Health)	59
Schedule P – Part 2M – International	59
Schedule P – Part 2N – Reinsurance – Nonproportional Assumed Property	60
Schedule P – Part 2O – Reinsurance – Nonproportional Assumed Liability	60
Schedule P – Part 2P – Reinsurance – Nonproportional Assumed Financial Lines	60
Schedule P – Part 2R – Section 1 – Products Liability – Occurrence	61
Schedule P – Part 2R – Section 2 – Products Liability – Claims-Made	61
Schedule P – Part 2S – Financial Guaranty/Mortgage Guaranty	61
Schedule P – Part 2T – Warranty	61
Schedule P – Part 3A – Homeowners/Farmowners	62

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK (Continued)

Schedule P – Part 3B – Private Passenger Auto Liability/Medical	62
Schedule P – Part 3C – Commercial Auto/Truck Liability/Medical	62
Schedule P – Part 3D – Workers’ Compensation (Excluding Excess Workers’ Compensation)	62
Schedule P – Part 3E – Commercial Multiple Peril	62
Schedule P – Part 3F – Section 1 – Medical Professional Liability – Occurrence	63
Schedule P – Part 3F – Section 2 – Medical Professional Liability – Claims-Made	63
Schedule P – Part 3G – Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery)	63
Schedule P – Part 3H – Section 1 – Other Liability – Occurrence	63
Schedule P – Part 3H – Section 2 – Other Liability – Claims-Made	63
Schedule P – Part 3I – Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, and Theft)	64
Schedule P – Part 3J – Auto Physical Damage	64
Schedule P – Part 3K – Fidelity/Surety	64
Schedule P – Part 3L – Other (Including Credit, Accident and Health)	64
Schedule P – Part 3M – International	64
Schedule P – Part 3N – Reinsurance – Nonproportional Assumed Property	65
Schedule P – Part 3O – Reinsurance – Nonproportional Assumed Liability	65
Schedule P – Part 3P – Reinsurance – Nonproportional Assumed Financial Lines	65
Schedule P – Part 3R – Section 1 – Products Liability – Occurrence	66
Schedule P – Part 3R – Section 2 – Products Liability – Claims-Made	66
Schedule P – Part 3S – Financial Guaranty/Mortgage Guaranty	66
Schedule P – Part 3T – Warranty	66
Schedule P – Part 4A – Homeowners/Farmowners	67
Schedule P – Part 4B – Private Passenger Auto Liability/Medical	67
Schedule P – Part 4C – Commercial Auto/Truck Liability/Medical	67
Schedule P – Part 4D – Workers’ Compensation (Excluding Excess Workers’ Compensation)	67
Schedule P – Part 4E – Commercial Multiple Peril	67
Schedule P – Part 4F – Section 1 – Medical Professional Liability – Occurrence	68
Schedule P – Part 4F – Section 2 – Medical Professional Liability – Claims-Made	68
Schedule P – Part 4G – Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery)	68
Schedule P – Part 4H – Section 1 – Other Liability – Occurrence	68
Schedule P – Part 4H – Section 2 – Other Liability – Claims-Made	68
Schedule P – Part 4I – Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary and Theft)	69
Schedule P – Part 4J – Auto Physical Damage	69
Schedule P – Part 4K – Fidelity/Surety	69
Schedule P – Part 4L – Other (Including Credit, Accident and Health)	69
Schedule P – Part 4M – International	69
Schedule P – Part 4N – Reinsurance – Nonproportional Assumed Property	70
Schedule P – Part 4O – Reinsurance – Nonproportional Assumed Liability	70
Schedule P – Part 4P – Reinsurance – Nonproportional Assumed Financial Lines	70
Schedule P – Part 4R – Section 1 – Products Liability – Occurrence	71
Schedule P – Part 4R – Section 2 – Products Liability – Claims-Made	71

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK (Continued)

Schedule P – Part 4S – Financial Guaranty/Mortgage Guaranty	71
Schedule P – Part 4T – Warranty	71
Schedule P – Part 5A – Homeowners/Farmowners	72
Schedule P – Part 5B – Private Passenger Auto Liability/Medical	73
Schedule P – Part 5C – Commercial Auto/Truck Liability/Medical	74
Schedule P – Part 5D – Workers’ Compensation (Excluding Excess Workers’ Compensation)	75
Schedule P – Part 5E – Commercial Multiple Peril	76
Schedule P – Part 5F – Medical Professional Liability – Claims-Made	78
Schedule P – Part 5F – Medical Professional Liability – Occurrence	77
Schedule P – Part 5H – Other Liability – Claims-Made	80
Schedule P – Part 5H – Other Liability – Occurrence	79
Schedule P – Part 5R – Products Liability – Claims-Made	82
Schedule P – Part 5R – Products Liability – Occurrence	81
Schedule P – Part 5T – Warranty	83
Schedule P – Part 6C – Commercial Auto/Truck Liability/Medical	84
Schedule P – Part 6D – Workers’ Compensation (Excluding Excess Workers’ Compensation)	84
Schedule P – Part 6E – Commercial Multiple Peril	85
Schedule P – Part 6H – Other Liability – Claims-Made	86
Schedule P – Part 6H – Other Liability – Occurrence	85
Schedule P – Part 6M – International	86
Schedule P – Part 6N – Reinsurance – Nonproportional Assumed Property	87
Schedule P – Part 6O – Reinsurance – Nonproportional Assumed Liability	87
Schedule P – Part 6R – Products Liability – Claims-Made	88
Schedule P – Part 6R – Products Liability – Occurrence	88
Schedule P – Part 7A – Primary Loss Sensitive Contracts	89
Schedule P – Part 7B – Reinsurance Loss Sensitive Contracts	91
Schedule P Interrogatories	93
Schedule T – Exhibit of Premiums Written	94
Schedule T – Part 2 – Interstate Compact	95
Schedule Y – Part 1 - Information Concerning Activities of Insurer Members of a Holding Company Group	96
Schedule Y – Part 1A – Detail of Insurance Holding Company System	97
Schedule Y – Part 2 – Summary of Insurer’s Transactions With Any Affiliates	98
Statement of Income	4
Summary Investment Schedule	SI01
Supplemental Exhibits and Schedules Interrogatories	99
Underwriting and Investment Exhibit Part 1	6
Underwriting and Investment Exhibit Part 1A	7
Underwriting and Investment Exhibit Part 1B	8
Underwriting and Investment Exhibit Part 2	9
Underwriting and Investment Exhibit Part 2A	10
Underwriting and Investment Exhibit Part 3	11

